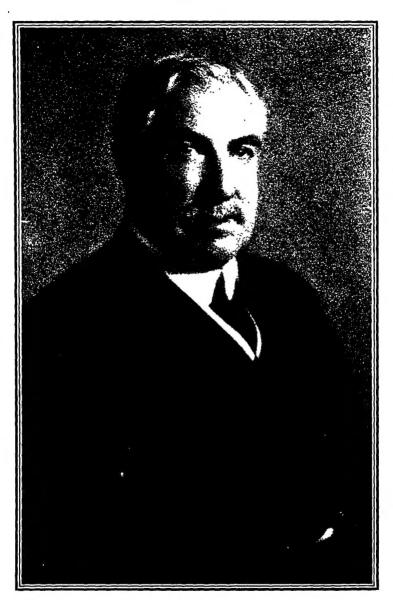


Trains of Recollection

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D. B. HANNA

Trains of Recollection

Drawn from '

Fifty Years of Railway Service in Scotland and Canada, and told to Arthur Hawkes

D. B. HANNA

First President of the Canadian National Railways

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To the multitude of Fellow-Workers who, during twenty-six years, loyally served the Canadian Northern and Canadian National Railways, this book is appreciatively inscribed.

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INTRODUCTION

THIS book is published because readers have said they obtained from the chapters that were written for The Toronto Star Weekly sufficient knowledge about railway conditions in Canada, during forty years, to cause them to ask for the material in permanent form.

The third era of Canadian railway expansion, beginning with the unnoticed construction of a hundred and twenty-five miles of line in Manitoba, and issuing in the largest national system in the world, will sometime have its due place in the historical literature of the period. Though this was always apparent, it never seemed that one's contact with the changes of a quarter of a century would ever reach the public except through the inarticulate narrative that is interned in annual reports and arid statistics.

What appears here is due to the ability of my old friend and colleague to take scanty and seemingly disconnected material, and fashion it into a story such as one scarcely supposed to be discoverable.

This book could only have been written by an author with an inside experience of railway administration; and an intimate knowledge of Western Canada. Mr. Hawkes was for several years the Superintendent of Publicity for the Canadian

WRITER KNOWS THE WEST

Northern Railway System. From the railway point of view, therefore, he was familiar with most phases of what I had to tell. His knowledge of the West is extensive and peculiar. He was going through the mill of homestead farming in the North West Territories before I ever saw Manitoba. His intimacy with pioneer conditions, is repeatedly reflected here, in a manner which it is a pleasure to acknowledge.

This much of explanation was necessary, to make it clear that an old railwayman is merely offering, through the only available channel, what little material a hardworking life affords for, perhaps, a friendlier appreciation of the railways' part in developing Canada than is easily obtainable from official publications.

"Trains of Recollection" may be my story; but it is my friend's book.

D. B. HANNA.

Toronto, May, 1924.

Trains of Recollection



Trains of Recollection

CHAPTER I.

Suggesting a typically Presbyterian background of Scottish migration to Canada.

IT seemed that one's ability to identify a joke was being tested when one was asked to set down something of what one had seen of the development of Canada during forty years of railway experience. The work I have been doing since coming to Canada in 1882 is the same kind of service that has been well rendered by thousands of men. How could there be anything of public interest in a career that has had only an average share of incident and romance, and more than an average of exacting toil?

But it has been said that the commonplace is the greatest romance of all; and that it often requires the lapse of years for an apparently ordinary event to acquire its true perspective in the things which impart the liveliest interest to life. After all, one was very closely associated with the growth of a great railway system from a feeble and unpromising beginning; and one saw the most extraordinary change from private enterprise to Government ownership that has taken place in the history of transportation. Nine millions of Canadian people

are financially interested in the effects of that transformation, and it may help some of them to appreciate the significance of their unexpected proprietorship if one tries to throw a little light upon the evolution of Canada, as it has been affected by four decades of rapidly changing transportation conditions—forty years in which every sensation of success and disappointment has been known to the most fascinating country in the world.

One must find the romance of the commonplace in harking back-it cannot be done by looking forward. There is no joy in the anticipation of a certainty. No surer way of discounting pleasures has ever been invented than to describe them in advance. Everybody knows the bore who ruins any good story he proffers by his assurance that it is very funny indeed. Turnings in our personal roads which have no special interest when they are taken, years afterwards disclose themselves as the most fateful passages in our lives. Sometimes when we have wanted to turn aside from a beaten path, and have been foiled, we have not known how much was bound up with keeping awhile longer the even tenor of what was then a commonplace way indeed.

Perhaps I am alone in viewing, without regret, a turn which was missed in my teens, and which would have taken me to Asia, far indeed from the rigours of Manitoba winters, and from politicians who would assist railway management on lines that have grown hoary with age, and disgraceful in their inefficiency. While working

at Stobcross station in Glasgow I answered an advertisement for a clerk on a plantation in Ceylon. No reply to the application reached me, though I anxiously watched for it. Years afterwards, just before coming to Canada, it was told me that an answer to the application did arrive from the Glasgow firm who had the business in hand. The family knew of the matter, and one of them intercepted a letter which was addressed to me, and asked me to come to Glasgow, as it was thought I might be the most suitable applicant for the situation. The letter was concealed, I believe, with the connivance of my excellent mother; otherwise, I might now be curing tea for Sir Thomas Lipton. About that time, by the way. the first of the Lipton shops was opened in Glasgow, and the astounding sight was witnessed of a provision retailer advertising his bacon by weekly cartoons of Irish pigs on the hoardings-for bacon, and not tea, was the early Lipton specialty.

One often envies the Canadian-born—even one's own children—their fortune in being natives of this land. But occasionally one meets Canadians whose envies are of the reverse order. They say that it must be fine to have spent a youth amidst the historical treasures of the Old Lands; and fine also to have had the experience of finding in Canada an entirely New Land—to have chosen it for oneself, and to have had so much direct control over one's own destiny; and the destinies of one's offspring, to remote generations. Immigration is a romance of the commonplace, perhaps; though

4 CANADIANS NEVER SAW CANADA

there isn't much glamour in the outlook of a poor wight who has left all his kindred, is facing an unknown country, and is finding the ocean a bottomless woe, on which nothing stays where it is put.

"What made you come to Canada?" is a frequent question, to which the answer usually is, "To better my condition." It is my own story, though oddly enough, I came to Montreal to work for the Grand Trunk at a smaller salary than I was getting in Glasgow as a clerk on the Caledonian. Was that Scottish-like—was it wise for otherwise? If an answer be desired, it can perhaps be found in a sketch of the Scotland I came from—the Scotland of an average industrious family that owed everything to labour and nothing to fortune—the sort of family that has been supplying Canada with people ever since immigration hither ceased to be a purely French process.

One speaks about one's early years primarily because it affords an opportunity to say a word for upbuilders of Canada who never saw Canada, but who gave to Canada what she has most needed and still needs—people, sound of body and of mind, and grounded in a faith that may be stern, but has at least been steadfast, and has given its followers the vitalities of character and success.

A friend has a habit of saying that his mother is one of the greatest Canadians, though she has never lived for a single montheten miles from her birthplace in the south of England. On the day this is written he tells me she is keeping her ninety-

eighth birthday, and that, to date, she has given sixty-five children, grandchildren and great-grandchildren to Canada. For fifty-five years she has been writing letters to, and getting letters from, Canada. Her stake in the country has been infinitely more precious than that of the millionaire who dies without seed.

Most theatre-goers have seen "Bunty Pulls the Strings", Moffatt's verra Scotch play. The piece is developed around Bunty, the managing daughter of a typically Presbyterian house. It is really a depiction of life near Glasgow—some people think, of an extinct species of existence. Its religious aspects are incomprehensible to a generation that knows not its Shorter Catechism, as they are serious to the participants, and homelike to many people in Canada scarcely past middle life.

One of the characters speaks of going to Thorn-liebank. The father of the playwright was William Moffatt, well known as an elocutionist in Scotland fifty years ago, who used to give readings from the "Reciter" of his own compilation. He was a frequent visitor to Thornliebank. For nearly twenty-four years I never lived anywhere else.

"Bunty" is a transcript from southern Scottish life, as I knew it, within an hour's walk of Glasgow. The church scenes, including the presence of the collie among the worshippers and the deposits of copper on the collection plate outside the door, before the spiritual food has been dispensed, are as true to fact as a Canadian winter is true to Jack Frost.

The Thornliebank folk as I knew them, and as I was one of them, are reproduced in "Bunty" with a fidelity that shows how dramatic the commonplace can be. Thornliebank was and is a village almost entirely of one industry. The Crum Print Works employed several hundred people. Crums were among the first manufacturers to recognize that they owed to their employes more than the smallest wages that they would consent to work for. The influence of Robert Owen, the socialistic employer of New Lanark, had spread to our locality. The Crums furnished certain institutional services for the village. They were circumscribed enough, in comparison with what has been done by the Cadburys at Bournville and the Levers at Port Sunlight, but were considerable advances on the average standard of industrial amenities in the mid-nineteenth century. They were the heralds and examples which, in due time, produced the Bournvilles and Port Sunlights, the Garden Cities and the town planners.

Roundabout, Thornliebank was known as the model village, because of the Crums' commonsense philanthropies. There was a commodious village club, the facilities of which, and especially the library, were greater than the membership fees. Sport was not the feature of country life that it has since become everywhere—perhaps because that was still the era when Shanks's pony was the steed on which people put their odds. It was also the era of mutual improvement expressed in musical and literary endeavour. In the Literary Society

my sphere was humble enough, though I recall the labour with which I set forth the fruit of researches on such subjects as the history of railways.

The Thornliebank Choral Union was nothing extraordinary, of course, except perhaps that its daring members constituted me their treasurer, and managed to renew their courage when the annual meeting recurred. But Thornliebank's chief musical fame was derived from its brass band, into the glories of which I was never initiated. It had (speaking from memory) twenty-four pieces; and was in much demand for excursions and celebrations over a pretty wide territory. The pay for a long day's activity wouldn't be more than twenty-five or thirty dollars—think of that, ye who inhibit musicians from playing with a Pageant Chorus, because of a union punctilio.

A long day's activity? Many a Saturday morning have I been wakened at five o'clock by the band playing itself through the village on the way to Glasgow, there, at seven, to lead its employing multitude to a boat for a journey down the Clyde. The band walked the five miles to Glasgow, and played most of the way. Practice in daylight maybe saved the cost of candle-light.

Some little time before I left Scotland there came to Thornliebank a designer for the Crum Mills, who had a very fine tenor voice. He was a little unlike some of our native singers, such as John Semple, whose bass was one of the most sonorous I have ever heard; who gave to his solo work a genius of interpretation I have never known excelled, but

who couldn't read a note, and relied entirely on his unfailing, memorial ear.

Our tenor was a technician, with a passion for the science of melody, and a determination to excel in the professional world—which he has since done in two continents. He is George Neil, conductor of the Toronto Scottish Chorus, one of the sweetest lyric tenors you could wish to hear, and a relentless worker in the cause of perpetuating Scottish songs.

Discussing, the other evening, the musical associations of the region we both knew so well, George and I agreed that the Pageant Chorus, which has opened a new chapter in the great story of the Canadian National Exhibition, is a measurable, modernized, Canadianized expansion of the Tannahill concerts on Gleniffer Braes, to which, with myriads more, Thornliebank used to flock on a summer Saturday afternoon, to hear anywhere up to a thousand voices, drawn from city and country choirs, commemorate a Scottish poet who thus received a tribute unequalled, I think, by anything that has annually been dedicated to his master Burns.

Tannahill was the son of a Paisley handloom weaver. He was put to the shuttle as a boy, but studied the poetry of Burns, Fergusson and Ramsay till he developed an intense ambition to emulate them. He fused his muse with the music of his loom, and tuned his metres with his shuttle. At thirty-three he took the advice of those who noted the local popularity of his poetry and pub-

lished a volume of 175 songs and lyrics that enabled him to bank twenty pounds. But at thirty-six, when Constable refused to publish a corrected edition, his heart broke and he was found drowned.

One of his best pieces is "The Braes of Gleniffer"; and it was in a natural amphitheatre, on the
braes of Gleniffer, visible from Thornliebank, that
the yearly commemorative concert was held. The
braes were five miles from home; but nothing was
thought of walking the distance. The Tannahill
concerts were known all over the south of Scotland; and for several decades it was a distinction
to be a singer in them.

My father was a foreman in the Crum mills, and did his bit in religious and social service. He was a highly Calvinistic Presbyterian, of a sect which has no perpetuation in Canada. My mother, a Blair of Barrhead, was also of his kirk—the kirk of Original Seceders it was formally called, after a certain process of union had been consummated,

There was no church of the Original Seceders at Thornliebank, so we worshipped at Pollokshaws, the town that lay between Thornliebank and Glasgow, and is now incorporated with the great city. My father was the precentor for the Original Seceders, who would as soon think of having a box of whistles to lead the praise in God's house as they would of praying to the accompaniment of fife and drum. Old associates of his son in Portage la Prairie might not have been astonished at the accountant of the Manitoba and North Western Railway venturing on the perilous seas of choir-

leading at the Presbyterian church, had they seen Precentor Hanna at the Original Seceders in Pollokshaws, standing up when the psalm was called, striking his tuning fork, bending his ear to it, sounding the note in harmony, and then leading off with "Duke Street" or "Martyrdom".

The Original Seceders are a survival and a combination of several schisms in the Presbyterian church in Scotland. The rigid qualities of the Covenanters caused some of them to resist all innovations, and to keep themselves separate from such as yielded to new-fangled fashions in worship and The settlement of William and Mary, as sovereigns of Scotland as well as of the rest of the British Isles, imposed an oath on ministers which some refused to take, so that there was a secession of Burghers, as they were called. in their turn, had a split of their own, resulting in churches of Anti-Burghers. In opposition to the advancing tide of more liberal ideas and less severe practices, the Auld Lichts also set up a new identity among the folds of Christ's Presbyterian flock.

To any of these divisions of the church militant may be ascribed the overworked story of the good soul who, lamenting the decay of faith, as indicated by the true kirk of the truly faithful having dwindled to the minister and herself, said: "And I'm no' so sure of the meenister."

At all events, the Anti-Burghers, the Auld Lichts and the Covenanters gathered themselves together in the Original Seceders, of whom there were not more than a baker's dozen of churches in all Scot-

land. Our family belonged to the church at Pollokshaws, where we walked every Sunday, rain, snow or shine, and where father led the psalmody. We were never taught, in so many words, that it was impossible to praise God in any other metres. or melodies, than the versions of the psalms that belong to the period of the Westminster Confession, and the tunes which were venerably associated with various of them. The idea of a predestinated psalmody which was of the essence of our Sabbath meat and drink was as much a part of our religious make-up as the day of judgment itself. Hymns were taboo. Somehow, they didn't fit in with the true doctrine of the survival of the fittest: not even such dournesses as

> "Great God! what do I see and hear? The end of things created, The judge of all men doth appear On clouds of glory seated."

At Pollokshaws certain tunes were so associated with certain psalms that when my father attempted the innovation of singing "I waited for the Lord my God" to some other tune than "Balerma"* there

^{*}This mention of a tune unexpectedly produced striking proofs *This mention of a tune unexpectedly produced striking proofs of the correctness of the idea the allusion was meant to convey, of the carefulness with which personal reminiscences are read, and of my own shortcoming as a musical remembrancer. In this chapter as first published "Belmont' was given as the name of the tune my father changed. Immediately Mr. John A. Hyslop of Toronto, wrote to The Star Weekly a kind letter in which he said: "Pollokshaws was not the only place where certain tunes were so associated with certain psalms, but the idea was peculiar to Scotland generally. I think, however, that Mr. Hanna is mistaken when he refers to his father attempting the daring innovation of singing the fortieth psalm to some other tune than "Belmont". This tune is not well

THORNLIEBANK TO ALBERTA

was almost a godly riot, and his religious experience was critically sounded for the graver symptoms of heresy. The sentiment engendered by my father's endeavour to vary a tune has had no parallel in my experience, I think, except in the astonishment with which some politicians in the maritime provinces regarded the amazing doctrine that the job of a section man should not be dependent upon his vote at the last general election.

The outward form of much of the Presbyterianism of Scotland in the sixties and seventies was hard, bare, unlovely to the modern eye. It grates upon our present sense of spiritual contentment. But it developed a fibre in the people who revelled in theological exactitude, for which we, their des-

suited for "I Waited for the Lord My God". Throughout Scotland generally this fine old psalm was always sung to "Balerma", while "Belmont" is usually associated with "By Cool Siloam's

Shady Rill".

The turn of the year also brought this letter from Alberta, which is printed as a delightful example of how old associations may be revived, as well as of the depth in the Scottish character to which the ancient melodies have attained:—

Lougheed, December 27th, 1923. P. O. Box 63,

D. B. Hanna, Esq. Dear Sir,

I take the liberty to write you, having seen a sketch of your life in the "Manitoba Free Press", which I read with pleasure as well as

great interest.

I was in Speirs Bridge, Thornliebank at the time you wrote I was in Speirs Bridge, Thornliebank at the time you wrote about, when all the old chums were there, such as Agnes and Jane Hamilton, Agnes and Mary Stark, Tina and Agnes Tattersall, Alice Ritchie, the Sives and the Lambies, James Craig, Deaconsbank, and the Patersons at the Castle. You remember the Misses Picken and the black man, Andrew McEwan. I remember quite well your sister, Mrs. Wardrop, and your brother, Hugh, also the Sunday School children, and at this time of year, the grand Christmas tree in the print works.

We were really a model people as well as a village. I recall the Old Men's, and Old Women's tea with Robertson the Mason, and his quadrille band, and the Templar's soirce and dance on New Year's night, with Willie McNaught in the chair, and Donald

cendants, are seldom sufficiently grateful. It will be true of multitudes of other Canadians besides myself, who were brought up in the moral rigours of a most positive Puritanism, that their retrospect combines a little resentment against the overclouding of their youth by unnecessary prohibitions, with much thanksgiving for the immovable foundations on which character was built. We are none too worthy citizens of the state, as things are. Heaven alone knows what we might have been if we had not been told, with stern, but kindly repetition, "This is the way, walk ye in it." Our grudge to our Presbyterian upbringing is infinitesimal. Our debt is infinite.

Sometimes one hears what sounds like ungrateful criticism of the thoroughness with which a the-

Cameron. These old memories are worth something. I can look back on scores more of faces which were so familiar, and are so pleasant to think about—Peter Hunter and Willie Stark, as leaders of music in the Sunday School, and dear Mr. Weild, the minister. Now I feel relieved a bit.

My husband was born in Rob's Lea Farm, and they used to be in Henry's croft too. McKinnon is his name. We came up here in 1911 and settled on a C.P.R. farm six miles out of Lougheed. After 1911 and settled on a C.P.R. farm six miles out of Lougheed. After that we homesteaded, seven miles from our farm, and bought a quarter of school land joining our homestead, so that we have two farms, three quarter sections of land. We brought pure bred horses with us. But we lost such a lot that long winter. Before that we were so well fixed, but it may be good times will come back again. We trust so; for everybody. We had a dandy crop this year—all kinds of feed, and we are still holding to a bunch of stock in the hope that prices will come again.

Now I offer you my congratulations on your success. My husband joins me. I sent the "Manitoba Free Press" to my brother, Robert Bell, in Alexandria, N.B., which I am sure, he will also read with pleasure. At this season we like to offer greetings, and especi-

with pleasure. At this season we like to offer greetings, and especi-

ally to old friends.

Agair accept my warmest regards.

I am, Yours respectfully,
I. M. McKINNON.

P.S.-I must correct you in the name of the tune "Belmont"; it . should be "Balerma".

ology that was sometimes confounded with religion was drilled into the children of the nineteenth century. A better attitude, surely, even for those who would not hold their children's noses closely to the Calvinistic grindstone, is to appreciate the excellences which were so relentlessly pressed upon us. It may be well that, for us, the old days have gone for ever. But for family discipline, and the homage that was paid to the unseen, could anything be better than the attendance at church of the whole family every Sunday, at Pollokshaws, for services that lasted from eleven till a quarter to four, with an hour's intermission for lunch; then Sunday school at five o'clock?

After a quiet evening there was the second family worship of the day, beginning at ten o'clock, when whoever happened to be in the house was not allowed to depart without sharing in the exercises—expounding of the Word and a somewhat lengthy prayer by father, and psalmody by all present. Religious duty was imperious duty—in private as well as in public. Except the precentor, in church we sat to sing, and we stood while the preacher prayed. The long prayer of an ordained Original Seceder would often continue for half an hour.

It is not of an Original Seceder, but of another branch of the Presbyterian church, that the story is told of a young probationer who was being heard with a view to an overture, and who, having been told that his prospective congregation very much liked very long supplications, thought to help himself out, when he was gravelled for matter, by say-

ing to Deity: "And now, Lord, we will tell thee a little anecdote."

Last summer I had the pleasure of taking a Toronto friend, Mr. A. J. Mitchell, a manager of Old St. Andrew's, to the Original Seceders' Church at Pollokshaws. We deemed it inadvisable to bring the taxi to the church door. As far as possible, we conformed ourselves to the prevailing spirit of the congregation and the service. To each of us the associations of the worship were different, indeed.

The interior, with its uncushioned pews, the precentor's box and the pulpit, was what it had been fifty years ago. When the precentor pitched high the opening note of psalm or paraphrase, I was thinking of my father, long since gone. While the preacher was discoursing with all the old certainty. on the wrath to come, to me it was a voice remote, but oh, so near. Outside one met warm-hearted people who knew one's name, and the family's connection with the church, but were personal strangers. One could only establish contact with the living by recalling the dead. There is a sadness about returning to an old home after decades of absence that in some ways is more poignant than the feeling with which a youth leaves the roof that has sheltered him all his days, for a land across the sea.

But for a pillar of a Toronto Presbyterian church to find himself for the first time in the rarefied atmosphere of the Original Seceders; to join in praise that is entirely vocal; to see the solean devotion that pervades a service singularly void of what to him hitherto has been appealing in worship, is something new; and, if one is not mistaken, something awful.

My friend comes of a family where the rigid practices of a fading Puritanism were rigidly honoured—no such desecrations, for instance, as cleaning shoes, or reading newspapers on the Sabbath day. He adorns a church where the music is fine, and the congregational singing notably hearty, where, indeed, the organist, Mr. Tattersall, is the son of a Thornliebank girl. He is of those who invited a Congregationalist to Presbyterian Old St. Andrew's. He has delighted in the magnificence of the cathedral and the grandeur of the ritual at St. Giles'. He would not choose the severe and unornamented concentration of the old Seceders before the catholicity that he sees in the pending union. But-and this is what one would fain impress upon the kindly mind-my friend came from Pollokshaws with a deepened reverence for the wealth of character with which the old Puritanism has endowed the world. A sorry day, indeed, will it be, whereon we forget from whom and whence we came, even when we are most conscious of the liberalizing changes which time and fortune have wrought.

CHAPTER II.

Sketching early years of service at country and city stations near the Clyde.

THE proportion of our immigrated people who visit their native lands is growing, despite the rise in steamer rates. There are multitudes to whom the Old Land still appears as it did when it was the only country they knew. For what it is worth, then, one who has several times trodden the old familiar ground, may say that you have to go back to the Old Land really to see it; and to appreciate what Canada has done for you.

I am sure that is unanimously so with all who have had the experience. The fields you think of as big; the village street you remember as wide; the kirk you recall as imposing—they are all there; but they have diminished in extent, or you have grown in stature. The people, noble as they are, abide where they always abode. Somehow, in the old segment of the world, they have not imbibed the air of the newer, more optimistic world that is on this side the sea. And distances have been transformed, and the way you look at distances.

Those who have always been accustomed to the magnificent distances of Canada frequently marvel at the small acquaintance many British people have with their native country. What may seem a phe-

nomenal ignorance is oftener only a proof of an ancient fiscal limitation. In Thornliebank we knew about Loch Lomond, the Trossachs, and the glories of the more northern hills and glens. But to go to Loch Lomond, for instance, was a financial adventure, as well as a serious railway journey, to be followed by costly coaching along the shore. Lomond, the three-thousand-feet mountain which stands like a sentinel over the twenty-two miles of islanded water, is forty miles from Glasgow-the distance of Hamilton from Toronto. Last summer we motored from Glasgow to the hotel at the foot of the mountain, and back again, in four hours. Besides the scenery so often mentioned but so seldom described, we saw the proofs of the disappearance of the former age, which, admirable as it is from the point of view of the popularization of what used to be the joy of a few, still seems rather flippantly to challenge the majesty of the prospect—I mean the abundance of travel by motor char-a-banc.

Gasoline has indeed done wonders for travel; but a big bus, rolling along at twenty miles an hour, with as many passengers as the first steamer that plied on the Clyde—the "Comet" in 1812—is not the picturesque sight that a tally-ho, with horses four, and an echoing horn used to be. Naturally, an old railroader is all for better transportation, and the multiplication of fares; but, the old ways had their good features, and, somehow, one has a lingering feeling that it were better for the older-fashioned picturesqueness, which the multi-

tude could not see, to remain than that everything in life should be subdued to gas—and perhaps, in time, to jazz.

On the whole, the men who gave most of their time to the kirk also served the community most consistently in other spheres. Fifty and sixty years ago the larger duties of citizenship were not commonly open to men who worked for wages. My father was past fifty before the ten-pound householder had a Parliamentary vote. The teaching of men like Robert Owen, and the rise of trade unionism, synchronized with intellectual. social and economic advances among working people who didn't cease to read when they left school. Mechanics' Institutes abounded. Co-operative societies sprang up in almost every industrial community in the Lowlands of Scotland and the north of England. There was one in Thornliebank, of which William Hanna was the treasurer.

The organization of a local co-operative business was very simple—its methods also. A society was formed, goods bought for the co-operative store, and the members paid cash for them. At each buying they were given metal tokens representing the amount of their purchases—it was a coinage which obviated the necessity for the intricate labors of bookkeeping. At the end of three months the committee took stock of the store, compared the value of the goods with the standing at the last quarter day, counted the cash in hand, figured up the expenses, and were ready to declare a dividend. The shareholder brought his tokens

—his chips, if you like—to the counter, and on the dividendial basis was given cash, or credit for more goods.

With ten children, eight of whom lived to maturity, the voluntary treasurership of a village cooperative store, with the quarterly dividends added to the weekly wages at the Crum works, didn't furnish many luxuries to the Hanna family, beyond the unsearchable riches that came to us from the Sabbath journeys to Pollokshaws. As the next to the youngest, I did not know personally of the harder struggle which beset the heads of artisan families when all their children were small. But. even in the sixties, life was a constant experiment in frugality. At the Thornliebank school we were all average scholars, I think, and in my thirteenth year my father obtained for me the job of office boy at the headquarters of the Scottish Co-operative Wholesale Society, in Madeira Court, Glasgow.

Call it the coincidence of the commonplace, the accident of association, if you like; but several years ago, while certain negotiations were proceeding for the purchase of land and the erection of grain elevators in the West by the Scottish Co-operative Wholesale Society, one could not help contrasting the change in that commercial enterprise, since his first acquaintance with it; and noticing also the difference there was between running messages from Madeira Court, and looking after the interests of a railway that connected tidewater on the St. Lawrence with tidewater on the Pacific, and had fifty thousand shareholders in the British Isles.

In those far-off days finance was a simple art, though it involved some fine adjustments. The pay in Madeira Court was four shillings a week. Out of that, return railway fare over four miles, and a midday meal, had to be provided. Transportation took about a third of the income—a trifle more, when one remembers that there was a mile walk to and from the Kennishead station, Thornliebank not being on any railway. Shanks's pony cost something for shoes. At midday there was resort to Jenkins's Cooking Depot, on Jamaica Street—a place where a bowl of soup, a slice of bread and a halfpenny cup of coffee offered some iustification for the unchallenged boasting about free trade and cheap living which was a part of British electioneering for nearly sixty years.

The Scottish Wholesale is an enormous business in these days, with a turnover of a hundred million dollars a year. When I was on its payroll, and very proud of my job, the office force, I think, was ten. Of course, there were no telephones or typewriters. The treasurer was a machinist at Thompson's, on Finneston street. It was part of my duty to carry the check book to him, to get batches of checks signed.

My first responsibility for observing a time-table schedule was impressed upon me rather interestingly by the Wholesale Co-operative's first manager, Mr. James Borrowman.

"Noo, laddie," he said, as I was off to the treasurer with cheques to be signed, "Hoo soon d'ye think ye can be back wi' the signatures?" I gave a close estimate, kept within it—and later discerned that my astute chief had made me set my own speed, below which it was quite inexpedient to fall.

The office work was light enough to permit of a few observations on the methods of what was then very high commerce indeed. Tea-tasting, I remember, was a subject of absorbing interest perhaps it had something to do with the application for a clerkship on a Ceylon plantation.

There was almost sacramental gravity about old George's preparations for testing the tasting and blending qualities of Oolong and Souchong. No home brew of these fantastic days is elaborated more carefully than the liquid bouquets in Madeira Court were compounded. With great respect to competent housewives, one may be allowed to remark that heating the pot before infusing the tea is not enough to bring to the human senses all the aromatic marvels of an artistic cup of tea. There is a delicate science of perfumery in the perfect production of the most cheering beverage. To induce a truly exquisite bouquet the cup must be heated before the tea is poured into itand then, indeed, you have a liquid meet for the gods.

Less than a dollar a week, with railway and restaurant expenses to be paid out of it, though the hours were only from nine to six, could not long satisfy the son of the Thornliebank co-operative treasurer. After about nine months at Madeira Court the post of junior assistant to the Ken-

nishead stationmaster fell vacant, and I was the successful applicant for the position. "Junior assistant to the stationmaster" is as big-sounding a title as one can think of for that post, after many years' diplomatic strain in trying to find titles for railway officials whose deserts, occasionally, were in inverse ratio to their appraisals of them."

There may be more magnificent sensations than those of an Original Seceder five months short of his fourteenth birthday, selling tickets to Glasgow through a little wicket door; but if so, I know. them not. The danger of giving too much change was not serious. We were only a short line, without through connections. As with other small systems, we made the most of our name. thing over thirty miles of route were called the Glasgow, Barrhead and Kilmarnock Railway. Most of the passenger traffic was to Glasgow, thirdclass fare, fourpence. Saturday was the busy day. The operatives used to leave the mills at five on Saturday afternoons, instead of the customary six o'clock. Tock and his wife, and sometimes a bairn or two, would go to the city for an evening's shopping, and free gazes at the places they did not enter. To go to Glasgow and not get a drink of whiskey, fifty years ago, was like going to Niagara and shunning the Falls.

Business hours at Kennishead station were from before the first train in the morning till after the last train had come in from Glasgow at night, for which six shillings a week was the reward. Saturday nights one sometimes overtook groups walking home from their evening's outing. Often one could hear Jock trying to walk straight, and Mary chiding him, sometimes under, and sometimes very much over, her breath. But, however uncertain the gait on Saturday night, there were dignity and poise in the approach to church next day—proof indeed of the difference between spirituous and spiritual walk and conversation.

The standard story which illustrates the commingling of the spiritual and the spirituous belongs to a locality near ours. The Scotsman who drank scientifically exhibited three stages of spirituous possession. The first was when, having first exalted his horn, he was in a meditative mood. The second stage saw him determined to discuss politics. When the saturation point was reached nothing but a religious argument would content his soaring mind.

When the United Presbyterian Church and the Free Church were fused, those who rejected the union were called the Wee Frees. In a town further up the line the controversy between the Wee Frees and the U. P.'s painfully persisted. One night a believer in the union, who had been to Glasgow, was wiggling a waggly way homeward when he saw the manse. He rang the bell, and insisted that the maid take him to the minister, to whom he said he wanted to discuss the trouble with the Wee Frees, and to propound a settlement. The minister, seeing his condition, urged that as the hour was getting late, and his caller had to be up early in the morning, he had better come next

evening, when they would fully discuss the great question.

"To-morra' nicht-to-morra'?" quoth the spirituous caller. "To-morra' nicht I shan't care a d-n aboot it."

Eighteen months at Kennishead brought promotion to the ticket office at Pollokshaws, a mile and a half nearer Glasgow. Ten shillings a week, and a twice-a-day walk across the long side of the triangle of which Thornliebank, Kennishead and Pollokshaws were the vertices, were the main changes involved in this advance; although Pollokshaws, being a town of about eight thousand people, the ticket sales were larger than at Kennishead. Another change was not so pleasant. The walk home perforce was alongside the churchyard wall, which afforded too many inducements to contemplate humanity's latter end, to be pleasant to an undeveloped youth who liked company, but had no curiosity about epitaphs when the midnight stroke was nigh.

From Pollokshaws I was transferred to Barrhead, the station farther out from Glasgow than Kennishead. One of its leading productions nowadays is the Shanks bath and toilet equipments, which are famous the world over. The business was then in its struggling infancy. Many a ticket have I sold to the original Shanks on his way to Glasgow, carrying with him samples of his wares.

Barrhead was interesting to me because it was the birthplace of my mother, as I was reminded soon after beginning duty there. As a sweet faced old lady asked for a ticket to Glasgie, I noticed she was eyeing me closely. Receiving the cardboard, she said:

"They tell me ye're Janet Blair's son?"

I said that was so.

"Ay," she went on, "I knew your mither weel, lang before ye were born. She was a grand girl, and a fine-looking woman. My, but ye're no' a bit like her."

Barrhead saw the end of my service of the G. B. and K., for in 1875 I obtained a clerkship at the Caledonian freight station at Buchanan Street, Glasgow. The first thing I learned there was that Presbyterian strictness was nothing compared to one brand of railway rigidity. The office was six miles from home, and a few minutes' walk from the South Side passenger station. The first morning train arrived there at nine o'clock. Wishing still to live at home, I asked my immediate superior to excuse me from beginning work until shortly after nine, if I made up the time at noon, or in the evening. He refused: and so, for a year I walked the six miles from Thornliebank six mornings a week.*

Discipline can be fearfully and wonderfully enforced. Probably no chief of a big organization ever entirely escaped criticism from his subordinates for being at times more exacting than they thought circumstances warranted. But it is likely that subordinates receive more consideration than

^{*}A few days after this was printed in Toronto I received a letter from another former clerk at Buchanan Street, who was there after my time enquiring if the perpetrator of this discipline was not "Old D—". It was.

they are aware of because their chief has not forgotten that his own early subordinations were not all lavender.

From Buchanan Street occurred my last move in Scottish railway service, in 1877. With one of the best men I have ever known for my chief, Mr. R. M. F. Watson, I helped to open Stobcross station, which the Caledonian established through an arrangement for using the North British right of I was Mr. Watson's only clerk. In a week or two after the opening we needed more help; and so for the first time I ranked a little ahead of a colleague. Here I stayed five years, advancing in pay from twenty-two to forty shillings a weekand two pounds was quite a salary on a Scottish railway forty-five years ago. Stobcross to-day does an enormous business. One can wish for the younger men that they have as fine a superior officer as we had in Mr. Watson.

The Caledonian was a large railway, as railways ranked in a country the extremest length of which is only as far as Sudbury is from Toronto, which could be tucked into Lake Superior, and no spot in which is fifty miles from salt water. There were, of course many promotions in the Caledonian service; but it didn't take very long for a young fellow who was looking a little farther ahead than Saturday night to learn that a clerk outside the head office stood mighty little chance of developing from a weekly wage-earner into a salaried official. Perhaps, if I had remained in Glas-

gow I might have become station master at Stobcross, and been regarded as quite a fortunate officer.

Because a country youth working in the city went home every night and was, in the main, devoted to his native heath, it must not be supposed that he gave no heed to city affairs. Democracy had a mighty hold on Scottish young manhood in the seventies and eighties. The ten-pound householder was a Liberal, and though I wasn't a ten-pound householder, I was a Liberal too, and took enough interest in statesmanship to help the party in the 1880 election, and to help myself to as much of the first-class oratory as was available before the polling.

The Reform Act of 1867 gave Glasgow three members, all representing the same constituency. But; by one of the machinations devised by old-fashioned politicians, who loved not democracy, the elector could only vote for two. In a way, I suppose, this was a device for obtaining proportional representation; by very good luck it might win the minority something more. The party which believed itself to be the stronger—in those days anything more than two parties would have seemed an absurdity, if not a crime—would run three candidates, hoping to elect all. The weaker would run only two, hoping to elect at least one.

In 1880 the Glasgow Liberals were in a great majority, and put up three candidates: Dr. Charles Cameron, proprietor of the "Glasgow Daily Mail"; Mr. Charles Middleton, of Caldwell & Middleton, and Mr. George Anderson. All three were big men physically, and were collectively dubbed

"Eighteen feet of Liberalism". The Conservatives nominated two candidates. It was the Liberals' business to distribute their votes scientifically. This could only be done by an efficient ward organization, which would know all the Liberal voters, and instruct them to vote in the right proportions for Cameron and Middleton, for Cameron and Anderson, and for Middleton and Anderson.

There was no rule against Caledonian Railway employees working according to their political consciences, in their own time; so that evenings found me, as the election approached, helping to work out the tally. The Liberal three were elected with very few votes separating each of them, and did their bit in enabling Lord Rosebery to win his bets-that he could count the Tory members among the Scottish sixty on one hand, and that they would all be able to drive into Palace Yard in the same cab.

Lord Rosebery, then a young, but rapidly rising peer, was on the platform at the meeting which Gladstone addressed in the old City Hall as an accompaniment to his most wonderful Midlothian campaign. I cannot add anything to the stock of public knowledge about a very great man, but may perhaps furnish an illustration of the proverbial attention of Mrs. Gladstone to her husband, and of a forgetfulness which kept him on the level of other spectacle-using pérsons.

Mrs. Gladstone who almost invariably accompanied her husband to his political meetings, sat next him while he was speaking with magnificent eloquence and vigour to a delighted audience, who were all standing, and were prevented from swaying dangerously by being roped off in squares, on the iniquitous support given by the Beaconsfield Government to the unspeakable Turk who had slaughtered offenseless Bulgarians, and should be cleared out of Europe, bag and baggage. The old gentleman—he was already seventy years of age—wished to read a quotation, and felt in an upper vest pocket for his spectacles. They weren't there. He patted each vest pocket vigorously—no spectacles. Then he hunted for them, until Mrs. Gladstone quietly arose, and pulled them down from his forehead to his nose—and all was joy.

To how great an extent one may seem to belong, in the eyes of a generation which is losing the use of its legs on the King's highway, to a period almost as remote as the Flood, may be judged from the fact that, as a matter of course, after the meeting, I walked the six miles to Thornliebank, the last train having gone before the meeting was over.

Ambition being neither extinguished nor satisfied in the agreeable associations of Stobcross, and Asia, as far as I knew, having yielded a blank, it was natural that one's outlook should turn to the Western continent, where railways were then being built, we often heard, at a tremendous rate.

I wasn't reckless enough to throw away a certainty for a chance of having my railroading confined to hitting the ties, and I never felt the imperious call to get back to the land. So, in the

late summer of 1882, I answered an advertisement for clerks on the Grand Trunk Railway of Canada. The Grand Trunk, it became known to us later, was in one of those difficult situations from which it was scarcely ever free. Circumstances had compelled it to extend its territory by taking over other lines; but it scarcely appreciated the significance of the advent of a tremendous child among the giants-the Canadian Pacific Railway.

This strange circumscription of outlook seemed to be inherent in the management of the railway from London, which proceeded as though the railway business could support a Downing Street of its own, which gave to "colonial" enterprises, by a species of absent treatment, the superior direction of men who never saw what they fancied they were managing; and who imagined that the appearance in their chosen field of young, ambitious and capable rivals was an impertinent incompetence.

The C. P. R. in 1882 had reached Winnipeg, though the road round the north shore of Lake Superior did not connect with Port Arthur till 1885. Steel was laid beyond Regina. The general manager, Van Horne, had a unique genius for railway pioneering, and a driving power to which his employers had the sagacity to give a free hand. Somewhat similarly to what happened when the construction of the Canadian Northern and Grand Trunk Pacific were in full swing, there was a great demand for all kinds of men who knew something of the railway business.

Van Horne immediately drew heavily on the Grand Trunk-in fact he drained it of a great deal of material that was in line for promotion. those days an increase of five dollars a month was a powerful temptation to an aspiring subordinate in a freight or passenger department. The offer of an additional ten was an irresistible bait. Grand Trunk general manager was Mr. Hickson; his assistant was William Wainwright. eral auditor was T. B. Hawson. The era of vicepresidents in charge of departments had not yet arrived. The Grand Trunk was not only directed from London, but its chief officers were sent direct from English railways. The three just named were from the Manchester, Sheffield and Lincolnshire Railway.

As its name indicated, this was a purely provincial line. It has since developed into the Great Central, with its own fine terminal in London—Marylebone Station. Fifty years ago an officer on, say, the London and North Western, or the Great Northern, would have felt it beneath his dignity to accept a post on a "colonial" railway.

In England, at that time, the solemn importance that was attached by railway operators to their work could be gauged by the interminable extracts from Acts of Parliament about tolls, printed in big type, which adorned the walls of country stations, but which even those who had missed one train and were waiting for another never had the courage to read. Manifestations like this were possibly due to the necessity for fighting for recognition as an

entirely respectable section of the business world which distinguished the earlier years of steam locomotion. Landowners regarded it as beneath their duty to their ancestry and posterity to ride in a vehicle which anybody might use for a financial consideration. When they deigned to use the railway they had their own coaches strapped to flat cars, and believed they were riding in state.

One alludes to the non-Canadian management of the old Grand Trunk, not as a criticism, but as a fact, which has had agreeable results for one-self. If, when the C.P.R. had carried its policy of abstracting men from the senior road, replacers had been sought from the bright Canadian youths who were then flocking to the United States, this tale might never have been told. But the old country management looked to the old countries for clerks, as they did for directors.

The Great Western, serving a considerable portion of Ontario beyond Hamilton, was taken over by the Grand Trunk in August, 1882. The acquisition extended the demand for clerical assistance, for the accounts of the two elements in the amalgamation were kept separately for longer than now seems to have been necessary. The audit department therefore required considerable augmentation.

Perhaps because my father was a treasurer, accounts had never been uncongenial to me. I could enjoy straightening out the mess that some unlucky book-keeper had made. I gravitated to the auditors' brigade, and, on November 2, 1882, after a

voyage on the Phoenician, which convinced me that marine transportation was not my long suit, I reported at the Grand Trunk head office, at Point St. Charles, Montreal, and began forty years of railroading such as can never be repeated in Canada. Then there was much land to be possessed. Now, there are certain deficits to be dissipated.

CHAPTER III.

Recalling Van Horne and the Canadian Pacific challenge to the Grand Trunk.

A T sixty, one cannot realize how long he has lived until he sits down and counts up the revolutions he has seen since he arrived at man's estate.

Of course, one does not mean political revolutions, merely; although they are becoming too numerous to mention. I left Scotland before the man who produced the crops from which the rent rolls of the House of Lords were paid could vote for a member of the Parliament which might send his sons to the wars. When I came to Canada in 1882, the St. Lawrence, below Montreal, flowed through a country that was about as clear of forests as it is to-day. But Ontario forty years ago, was half bush. Toronto was warmed with more wood than coal in winter. My friend Noel Marshall was called the wood king of this city. His trainloads of cordwood arrived almost daily from the territory around and beyond Lake Simcoe.

The locomotive with the big funnel-top out of which came wood sparks and smoke was still common on the railways. There wasn't an air brake on a train. The electric light was just beginning to take its place among the marvels of the age;

but the electric street car was only the dream of foolish persons who imagined that harness could be put upon the lightning. The telegraph was everywhere with the steam locomotive. But, though men had talked to each other from almost incredible distances, and prophecies were made by daring spirits about what would some day be accomplished by the human voice over an electrified wire; if you wanted to speak to a man in his office across the street, you crossed the street.

One of the surest things in human existence, to most shrewd people's way of thinking, was the impossibility that men should ever fly. Anybody who would have predicted that in his lifetime it would be possible to send his voice out into the atmosphere in the form of a silent wave of ether, have it picked up by a piece of wire a thousand miles away and turned again into his voice so that one or one thousand people standing in a park could hear it as plainly as if the living person shouted into their ears why, for such a prophet the only appropriate abiding place would have been where brains had ceased from troubling, and wisdom was at rest. As for the motor car, although the horseless vehicle was a subject of prophecy, the wildest visionary never proposed anything like the present speeds and dangers of the streets.

The advances that have been made in moral and social standards are, in their spheres, as remarkable as those just suggested are in the mechanical helps of life. But before we come to them, and their relation to one or two of the more remarkable

variations from the way of conducting railways forty years ago, suppose we take a look at the railway situation from the constructional point of view, as it was in Canada when my service began with the Grand Trunk

Towards the C.P.R. the high and mighty Grand Trunk directors in London had a disdain not unlike what their successors felt for the Canadian Northern when it first stretched its hand towards the London money market. The year that began my service produced two most remarkable developments in the general scheme and the administration of the C.P.R. The first day of 1882 saw the first day's work of Van Horne as general manager of the C.P.R. The first year's work of Van Horne saw also the abandonment of the plan of first reaching Winnipeg by rail from Eastern Canada via Sault Ste. Marie, instead of by Port Arthur. To give an idea of the atmosphere that it was sought to develop in the London money market at that time, it is interesting to see a pamphlet that was issued under Grand Trunk auspices, in opposition to the proposal to build the C.P.R. around the north shore of Lake Superior.

The territory now traversed by three transcontinental lines was described as "a perfect blank, even on the maps of Canada. All that is known of the region is that it would be impossible to construct this one section for the whole cash subsidy provided by the Canadian Government for the entire scheme."

This view was not a purely Grand Trunk bogey. It coloured the Liberal party's opposition to the C.P.R. Thomas Robertson, founder of the Toronto candy-making firm, used to tell with much glee how his old friend who became Senator Jaffray, president of "The Globe", and of the Imperial Bank, was in the habit of declaring that he would not risk

his life on a train north of Lake Superior in winter.

Grand Trunk understrappers, of whom I was one, had no direct contact with the big fighting that was going on between the old Canadian railway and the new, looking to the future control of transcontinental business. But we could feel temperatures; and we picked up information about the forces that were playing against each other, which, perhaps, the ordinary reader of the newspapers did not gather from what came out of the West. As a matter of fact, not much did come out of the West, where the most extraordinary phase of a most extraordinary phase of modern railway construction was being accomplished. There was no telegraph connection over all-Canadian territory between Montreal and Winnipeg, and the newspaper services were meagre indeed, compared with what they are now.

Of all the departments of railway construction and operation, only one of the C.P.R. was located in Montreal in 1882—the purchasing department. Its chief was a young fellow named Shaughnessy. Except in age, there wasn't much difference between the purchasing agent of 1882 and the peer who resigned the C.P.R. presidency thirty-six

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years later. Mr. Shaughnessy had arrived early in the year, from the Chicago, Milwaukee and St. Paul, whose general manager, Van Horne, had been given charge of the completion of the C.P.R. The financial chiefs of the young railway, notably George Stephen, had their headquarters in Montreal. But they were generally regarded as having other major interests.

Among the Grand Trunk wise men, the enterprise that was poking its nose into the barbarian wilderness was looked upon with an almost amused In their own estimation, the Grand Trunk offices at Point St. Charles were a sort of Imperial hub. The C.P.R. was very much of a colonial affair, don't you know-indeed, with a general manager from Milwaukee, rather too Yankee an affair, if the truth must bluntly be uttered.

But, even then, there were the symptoms of a somewhat chastened mood in the Grand Trunk. For the year 1882 had produced results which, when they were predictions during the previous winter, were laughed at; but when they were achievements at the end of the year were ominous indeed. The Van Horne regime on the C.P.R. was the most remarkable innovation that had happened to the business life of the Dominion. first year had seen the construction of about five times as many miles of railway as the C.P.R. had laid during any previous year; and most of that on the remote prairies. The promise to begin, in 1883, building around the north shore of Lake Superior looked like business—and business it was.

I think Van Horne had never been in Montreal when he took over the job of general manager of the Canadian Pacific on January 1, 1882, at Winnipeg. He came east shortly afterwards, and gave Ottawa and Montreal a few tastes of his quality. He did not settle in Montreal until after his first astounding Western season was ended. In midwinter, with little preparation made for the spring. opening, Van Horne announced that he would lay five hundred miles of track on the prairies in the season of 1882. His advent at the head of affairs was not welcomed by a staff of Canadians and old countrymen. He was a Yankee. He was astonishingly aggressive. His vocabulary had all the certainty that belongs to the Presbyterian conception of everlasting retribution, without its restraint. He laughed at other men's impossibilities, and ordered them to be done—a dynamo run by dynamite.

The only way to get construction material to Winnipeg and the West in time for the spring opening was from the south. Van Horne bought rails in England and Germany, had them shipped to New Orleans, and hauled in trainloads up the Mississippi Valley. He made a contract with a St. Paul firm for the grading, up to the point of actually laying ties and steel, from Oak Lake, west of Brandon, to Calgary. The day after the contract was signed they advertised for three thousand men and four thousand horses.

Van Horne organized his own gangs of tracklayers and kept them right on the heels of the graders. There was delay in starting work, because the Red River Valley above Winnipeg was abnormally flooded. Then the contractors didn't work fast enough. On threat of cancelling the whole thing Van Horne speeded up the construction. Working furiously into the freeze-up, finished only 417 miles on the prairie section. But the work done elsewhere did complete over five hundred miles of construction that year; and it was plain that the new driving force would get even greater results another season.

The next year saw steel laid right to Calgary and immense progress made between Lake Nipissing and Thunder Bay. This piece of work caused J. J. Hill to drop out of the C.P.R., and to become a business enemy of Van Horne's. Hill, an Ontario farm boy, had induced Donald Smith (afterwards Lord Strathcona) and his cousin George Stephen (Lord Mountstephen) to join him in getting hold of a Minnesota railroad that had been financed by Dutch bondholders. This road developed into the Great Northern, out of which Smith and Stephen made, it has been stated, more money than they did out of the C.P.R. These associates created the syndicate which obtained the C.P.R. charter, and began construction. Things were dragging, and it semed likely that the ten years stipulated for with the Canadian Government would be needed to complete the road to the Coast, when Hill recommended that Van Horne be made general manager, with large powers. pointment was made, but before long, Hill and Van Horne clashed, as strong men often do.

When Van Horne took hold, a railway was under construction from Callender (just east of North Bay) to Sault Ste. Marie, where it was to tie in with the Hill road and its Winnipeg connections. The line from Port Arthur to Winnipeg was well advanced; and the utmost use was to be made of the possibilities of lakes navigation for communications with Eastern Canada under all-Canadian auspices. But it was figured that the line around Superior would be too costly and too unremunerative an undertaking for many years. All the traffic during non-navigation months would go over the Hill line—and that was one of several reasons for Hill's going into the C.P.R.

Van Horne wasn't afraid of the emptiness between Lake Nipissing and Thunder Bay. ured the through traffic would be enough to offset the disadvantage of practically no local business through the wilderness. He saw that, with Hill in the strategical position he had marked out for himself, the C.P.R. couldn't well be its own master-rather, perhaps, that Van Horne couldn't be its master. Sir John Macdonald and the Government had always wanted to reach the West over all-Canadian rails. And so it came about that Van Horne's arrival at Montreal, after the 1882 construction season, for his permanent headquarters, synchronized with the beginning of the Superior Division construction or, rather, with the sending in of supplies during the winter, for the 1883 work. It turned out that three seasons' construction completed the Lake Superior Division, and the first trains from Montreal to Winnipeg ran in the fall of 1885.

The new atmosphere which had begun to affect railway business in Canada can be partially appreciated by those who were not within its influence. A tremendous, and at times terrifying, power had come on to the job of Canadian development. The Grand Trunk bucked it openly in London, and quietly derided it in Canada. In Montreal, though, we were so far from the West-always bear in mind that it wasn't till late in 1885 that you could travel in the same train across the Province of Ontario-that the tales which came through of what was happening in the North West seemed about as far-fetched as Mark Twain's varn of the jumping frog.

For instance, it was a matter of knowledge that the C.P.R. charter provided for the line to be built through the Yellowhead Pass, since taken by the Grand Trunk Pacific, and the Canadian Northern. and to end about where Prince Rupert now is. The route had been changed; and instead of going through Battleford, the newly-established capital of the North West Territories, and up the North Saskatchewan Valley, the C.P.R., we were informed, was going to Fort Calgary up the Bow river (which becomes the South Saskatchewan where it is joined by the Red Deer), and was then to get through the mountains, and reach the Pacific ocean-somehow. And, in very truth, it was some somehow.

First of all there were doubts as to whether a railway could be put through the Kicking Horse. Pass. Then, once over the Great Divide, the Fraser Valley must be reached either by crossing the mighty Selkirk range, or by going hundreds of miles round the big bend of the Columbia. pass through the Selkirks was known: Few men But Van Horne believed one could be found. headed his foad for the foothills, taking chances on . making a fairly economical approach to the Pacific ocean, to obtain which he sent explorers into the appalling waste of mountains. At last, after incredible hardships, Major Rogers and a companion named Carrol found the Pass that is forever as-. sociated with the major's name; and the C.P.R. went through, as all the world knows.

I shall come to a very pleasant duty presently, when something is to be said about railway location, and some of the locators I have known and worked with. It will be seen that they are all of the Rogers spirit, though, happily for themselves, they are not all of the Rogers attitude towards their own financial interests. Rogers was a Yale graduate of high standing, but a lover and liver' of the wild, if ever there was such a creature. discovery of the Pass, made during days of semistarvation, and dreadful peril to man and beast, was acknowledged by the C.P.R. with a check for five thousand dollars. Van Horne, meeting Rogers in Winnipeg a year later, reminded the major that he hadn't cashed the check.

"What!" roared Rogers. "Cash that check? I wouldn't take a hundred thousand dollars for it. It is framed and hangs in my brother's house in Waterville, Minnesota, where my nephews and nieces can see it. I'm not in this game for money."

To indicate the general temper of those early construction days in the prairie country one can take room for only two sidelights on the Van Horne regime, which became traditional with all the surviving old-timers who were lucky enough to behold it. Van Horne wasn't an engineer, but he had all the natural aptitudes of one, and a Napoleonic hatred of "can't". One day he sent for a locating engineer, threw a profile to him and said:

"Look at that. Some infernal idiot has put a tunnel in there. I want you to go up and take it out."

"But this is on the Bow River—a troublesome section. There may be no other way."

"Make another way."

The engineer stood, irresolute. Then, Van Horne:

"This is a mud tunnel, isn't it?"

"Yes."

"How long would it take to build it!"

"A year or eighteen months."

Van Horne thumped his desk and shouted: "What are they thinking about? Are we going to hold up this railway for a year and a half while they build their damned tunnel? Take it out."

The engineer started off with the plan; but turned at the door. "Mr. Van Horne," he said, "these mountains are in the way, and the rivers don't run right for us. While we're at it we might fix them up, too."

Whereat the big chief exploded with laughter. But there's no tunnel on the Bow, and the line wasn't held up eighteen months.

Those who knew Van Horne in his later years are familiar with his habit of keeping a cigar in his mouth, often unlit. He was, though, a great smoker; and when, during his last illness but one, the doctor reduced him to three cigars a day, he had some made over a foot long. Just before he finished his first whirlwind year at Winnipeg, he threw an unextinguished cigar stub into the waste basket, and the building—the Bank of Montreal, in the upper storey of which the C.P.R. had its headquarters—was burnt to the ground. Bank and railway moved to Knox Church, and Van Horne had his office in the pastor's vestry; and Ogden, the auditor, presided in the Sunday school room.

In view of Van Horne's vocabularian range, it seemed an incongruous association; but it may have had something to do with a remark made thirty years afterwards by Van Horne to one of his astonished friends:

"All my religion," he said, "is summed up in the golden rule; and I practise it; and I think I am the only man in business who does. What are you laughing at?"

Perhaps the best picture of the Van Horne who put zip into the C.P.R. was written in the Winnipeg Sun:

"Van Horne is calm and harmless-looking. So is a she-mule; and so is a buzz-saw. You don't know their true inwardness until you go up and feel them. To see Van Horne get out of the car and go softly up the platform you would think he was an evangelist on his way West to preach temperance to the Mounted Police. But you are soon undeceived. If you are within hearing distance you will have more fun than you have ever had in your life."

So much for the temper that was in the Canadian railway situation forty years ago. West of old Ontario there wasn't much else but land, water and temper. When Van Horne went to Winnipeg between the Lake of the Woods and the Great Divide, and from the United States boundary to the Arctic ocean, red and white people combined were only sixty thousand. British Columbia, which had come into Confederation on promise of railway connection with the East, contained fifty thousand people, of whom half were Indians.

Allowing for the low traffic value of the Indians, it is a liberal computation that from the American boundary to the Arctic Circle there weren't forty people per mile to create the business between the Ontario frontier and the Pacific Ocean. Van Horne's faith was force and his force was faith. Never was there a greater combination for a greater adventure. Literally, according to its faith, it has been to the C.P.R.

CHAPTER IV.

Reviewing vanished practices, including ticket scalping and fast freight lines.

HEN the Canadian Pacific Railway was built across the prairies there was no railway for a hundred miles south of parallel forty-nine. Red River carts, canoes and dog-sleds furnished all the transportation between it and the North Pole. Van Horne earned his first freight revenue from the Saskatchewan plains by shipping buffalo bones to Eastern fertilizer manufacturers. When he stopped at construction camps he would draw pictures on buffalo skulls for the men's amusement in the evening. To build a railway across empty plains and over mountain ranges was regarded as unmitigable folly by many people who believed themselves to be far-seeing.

While it was being done the state of Eastern Canada was not very encouraging. Half of the settled farm land of Ontario was uncleared bush. Farmers received little or nothing for their produce. The cities were small. Manufacturing was in a sickly, uncertain infancy. In average years the country was importing something more than a hundred million dollars' worth of goods and exporting something less. The interest on borrowed money, therefore, was being paid with more bor-

rowed money. The revenue of the Dominion was about thirty million dollars. You could get good board in Montreal or Toronto for four dollars a week, and very good for six. Everybody was poor.

There isn't the same sort of plenty in Canada that there was forty years ago—I mean as to eats and drinks, the cost of fuel, and the simplicities of fun. But, on the whole, things are vastly better than they were. Those who discover a moral declension in the people are sorely mistaken.

But I am concerned with railway affairs, and am not delivering lectures on the history of Canadian morals. The railroad ethics of to-day are very much ahead of the railway ethics of forty years ago. That is true whether you compare railway standards with railway standards, or look cursorily over the field of commercial and social relationships. One wouldn't say that saintliness distinguishes the railway business more than it does any other. Indeed, it is commonly supposed that there is more freedom of speech, running into license, among knights of the rail than there is in any other walk of life.

It is still supposed by many otherwise excellent people that, of all corporations, a railway corporation most assuredly has neither body to be kicked, nor soul to be damned. Railwaymen are not a perfectionist crowd. They never set themselves up for paragons. But take them by and large, railwaymen are as worthy a segment of society as any other. In the last forty years there has been at least as notable a progression in the standards

of railway behaviour as in other fields of human activity, including the Christian ministry.

Heaven knows there was room for improvement—not in the men, but in the standards which were considered appropriate to a business that was always weirdly competitive, was sometimes wonderfully prosperous, and at other times was woefully depressed. There is a changing orthodoxy in commerce as there is in religion and politics. The railway business is no exception to this rule. The change has been steadily for the better. Of this it will be easy to convince the elder, as I hope it will not be impossible to inform, the younger readers of these remarks.

How far we have travelled, how large have been the revolutions in commercial morality within the memory of people now living, can be indicated by a few facts. I have mentioned a lady now in England who has given sixty-five descendants to Canada. She was eight years old when slavery became illegal in the British dominions. She was sixteen years old when, under the Ashburton treaty which gave to the United States territory that ought to have been part of Canada, the United. States and Britain agreed to maintain squadrons off the coast of Africa to prevent further shipment of slaves to the New World. Scores of thousands of the present citizens of the United States were born as slaves. When I came to Montreal the American Civil War which freed the slaves wasn't as far back as the Boer War is now.

The old lady of whom I have spoken was six years old when the Reform Bill put an end to the system of rotten boroughs in the British Isles, which we still regard as having in all past centuries been in the forefront of moral and political progress. The political corruption of those times, so nauseating when we read about it, was regarded as a matter of course by men and women who were godliest among the good. Nowadays, when we are shocked by stories of buying votes in elections, we sometimes forget the recency of the society from which that form of bribery descends. Financial customs which are reprehensible to-day were respectable not so long ago—in all walks of life.

One mentions these things in a railway retrospect, so that when a few facts as to old-time methods have been given it will not be supposed that in their practices of several decades ago some railway administrations were sinners above all other sinners. They practised the orthodoxies of their times, and were neither better nor worse than the practitioners of orthodoxy in a hundred ranges of human activity.

It may seem a queer question to young people—What would you think, supposing you wanted to go to Chicago on the Canadian National Railways—and, instead of going into the railway office at King and Yonge, and paying, say, sixteen dollars for the ticket, you slipped into a private ticket office up street, and bought your ticket for ten dollars? Or, supposing you were going to San Francisco, instead of buying a through ticket to

your destination at the Canadian National or Canadian Pacific office downtown, or at the Union Station, you bought a ticket only for Chicago, at the little office up the street, and then, at Chicago, bought another for the rest of the journey from another privately-conducted office, and saved perhaps twenty-five dollars by doing that, instead of buying your ticket at the railway office in Chicago?

In 1924 it sounds very odd to mention such possibilities to men and women of thirty years of age, who suppose they really know something of the world's ways. But to older people the suggestion has all the familiarity of reminiscence—it recalls the age of scalping in passenger travel, and of the so-called fast freight lines in the other branch of railway business, which were in full blast when I began to audit accounts in the Grand Trunk head office at Point St. Charles.

What is now told about our railways is not to their discredit, except so far as it would be to the discredit, for instance, of the Christian churches of to-day to remind them that it was not they who directly raised the tone of political morality, or abolished slavery. Canadian railway practice was like the railway practice of other countries—mainly the United States. The Grand Trunk, with its English management and English ideas, had some peculiarities of its own; but, in the main, its relation to scalping and fast freight lines was forced upon it by the prevailing conditions on this continent. Those conditions could only be finally improved by the intervention of public authority, such as

the Dominion Board of Railway Commissioners, or the Inter-State Commerce Commission, both of which bodies may be only stages in the evolution towards the public ownership of all railways, which, theoretically at least (though practically it is not so easy of accomplishment), is as sound as the public ownership of the post-office, the navy, or the geodetic survey.

In the old days, railways competed fiercely against one another, and were virtually a law unto themselves. Tariffs were filed with Governments; but they were as often honoured in the breach as in the observance. The principle of the member of Parliament franking letters for himself, his family, and his friends, which has been a hoary accompaniment of the honesties of parliamentary government, was in full operation in the railway field. you were next a railway, you could get special privileges as naturally as you could get special privileges in the mails if you were of a Parliamentarian's family. In politics you got a place with much pay and little work if you were closely related to a minister. In business you got better rates than your competitor if you were more happily related to the management than he.

It would be too devious a chase just now to ascertain exactly how the practice of scalping railway tickets came into vogue. At all events it was in vogue in Montreal and Toronto in the early eighties—as it was in the United States, its natural home. It was customary for railways to sell to scalpers quantities of tickets over their own sys-

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tems at a reduced rate. There was always a bargain-counter for the scalper. The scalpers sold tickets to customers at a profit, which often depended on how the scalper sized up the customer when he came to buy.

The scalper also bought tickets from individuals—mostly the unused portions of return tickets. Return tickets were not as long-dated as they now are. You came to Toronto from Chicago with a return ticket; and found you could not go back within the time limit. You sold that half of the ticket to the scalper for, say, two or three dollars, and he took his chance of selling it, for, say, ten, to somebody who wanted a single.

Telling this to an astonished friend the other day, he at once asked how so singular a method of doing business affected the audit offices. Well, as I wasn't in a very responsible position at the Grand Trunk, during the two and a half years I remained in Montreal; (whence I moved to New York, in the spring of 1885) I do not profess to speak of how things were straightened out in Montreal; but, from knowledge gained, it can be said that there was a practice in many railways-on this continent of putting aside earnings reserves when business was good, and using them when business was not so In a way, it was as if a storekeeper neglected to count the accumulations in his till, and then reckoned his count for the day when it was made.

The scalping practice made this manner of reporting receipts inevitable. For example, a big block of tickets was sold outright to a scalper—
it might be at fifty, sixty or seventy per cent. of
the rate charged at the railway's own counter. He
paid for them. When they came back to head
office there was nothing to differentiate the tickets
sold to the scalpers and the tickets sold to the
public. The conductor couldn't tell when he lifted
a ticket that had been bought from a scalper. He
had to turn it in as part of his report.

Say there were a thousand tickets from Montreal to Chicago, and the regular rate was thirty dollars, a total of thirty thousand dollars. But the railway's cash receipts were only twenty thousand dollars, because of the scalping. The proportion of scalped reverue, obviously, would vary from month to month. Adjustment was necessary; and in making adjustments it is equally obvious that it would be a convenience to even up from a reserve in hand, or to put part of an exceptionally good run of receipts into the reserve.

For the benefit of the juvenile generation it may be added that scalping became so large and pervasive an adjunct to transportation that its interests developed an organization of their own. If you wanted a through ticket to San Francisco, instead of taking chances of making a good bargain at a scalper's, between trains at Chicago, the scalper in Toronto would do all the needful business for you. He regarded himself as a broker, and to some he was a very present help in time of trouble. That he was not necessary—assuming proper relations between the railways and the public—is proved by

his elimination as soon as public control of rail-ways arrived.

The anomaly of the fast freight line was another and more wonderful manifestation of the vicious principle which was behind the scalping. It also had its relation to two other transportation services which still exist, though they are not as liable to the same abuses that were inseparable from the fast freight lines—I mean the express service and the Pullman car. The express business to California was being done by ponies, for instance, before there was railway communication across the mountains. When railways were built the express companies brought their business to them, using cars, and paying the railways a percentage of receipts for the entire service.

The Pullman car service was entirely a product of the railways. When trains did not afford the luxury of sleeping between sheets, Mr. Pullman came along, offered to furnish cars, collect tolls, and pay the railways for hauling them. This method is just about as old as the Canadian Confederation. One of the most curious sidelights on the origin of what is regarded as an entirely American innovation is furnished by the story of the Prince of Wales' tour in Canada in 1860. The first car to carry sleeping accommodation was built at Brantford for the Prince of Wales. From it Pullman got the ideas which he evolved into the Pullman system.

Pullman built his cars, charged the railways a rental for them, and himself took the special reve-

nue earned by the sleeping accommodation. He obtained practically a monopoly on this continent, and the Grand Trunk remained like other roads, after the Canadian Pacific and the Canadian Northern owned and operated their own sleeping cars.

The practice of farming out certain services was the fruit of conditions. It is virtually the same as was followed by Lord Northcliffe in many of his secondary publications in London. He farmed their advertising out to advertising agents. The railways farmed out to express companies the swifter-than-freight carriage of goods; and to the Pullman Company the night comfort of passengers. But the fast freight line game was in a different category from these present-day services. It was regarded as legitimate business then; if a revival of it were attempted now it would be given another name.

It grew from the hoary notion that it was all right to give private favours at the public expense. If a concern brought a large amount of traffic, it got a better rate than its smaller competitor. That notion of the proprieties opened the door to the fast freight line, which wasn't a railway at all, but an inside track which had no honest business to be there.

A group of men who happened to be high-up railway officials organized a company called, say, the Minnehaha Fast Freight Line. The company got preferential rates on all the freight it turned in. The company labeled its cars and went out after business. It charged the shipper the same rates as

the railways did, but promised him more rapid delivery. The railways gave preference to the socalled fast freight, though they got less revenue from it, pound for pound, than they received from the freight they pushed aside for it.

The complications that arose from this favouring of fast freight companies were many and were often amusing. On the Grand Trunk I was soon told off for special auditing, and in 1884 was sent to Detroit, with W. B. Pollock, of the New York, West Shore and Buffalo Railway, to audit the books of an agent of a fast freight line who had received more money than he accounted for, because of the system of collecting payment from shippers. Incidentally, straightening out the tangle led to my going into railway service across the line, and almost made me an American.

On this continent there was so much distrust of railways by railways that when a great business corporation sent, say, a trainload of sugar from New York by a fast freight line, to be distributed to different points in what was still regarded as the west—Ohio, for instance—the money for the whole service would be paid to some central agent of the fast freight line, who, in due time, paid their proportions to the railways which received parts of the traffic. Unraveling bookkeeping tangles was always a revel to me. Pollock and I discovered that the fast freight line agent at Detroit was a good many thousand dollars astray in his reckoning.

That piece of work procured for me the offer of a clerkship on the West Shore line, which runs down the western side of the Hudson river, and this involved a removal to New York.

After a year and a half, the West Shore was taken over by the New York Central group, and the office force was transferred from the old Stewart Building near Cortland street to the head office of the bigger system in the Grand Central Station at Forty-second Street, to make the necessary accounting adjustments. When this was finished salaries were reduced. I thought the offer to me was beneath my merits; and, having a promise that in pending changes on the Jersey Central I would be sure of a position, I returned to Montreal to await developments. They were much delayed, and, not loving idleness, I did some special work for Mr. Hawson.

At last the offer from the Jersey Central came. It was a good offer, which would probably have led to rapid promotion, for the man who was to have been my chief soon after died, and according to all custom I should have succeeded him as assistant auditor of freight receipts. Of my colleagues in New York a considerable proportion won high promotion—my fellow auditor of the Detroit fast freight agent's accounts, W. B. Pollock, is now the head of the whole marine department of the New York Central lines.

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When the offer did come I had just arrived at Portage la Prairie, and had not begun work. I might have gone East again, had not Horace Greeley's advice been earnestly repeated to me, with results one sees no reason seriously to regret.

Anyway, it is no use speculating on what would have become of my family if, instead of finding them through a Portage la Prairie merchant's house—my father-in-law had the leading retail and wholesale store in the town—I had turned again east, before the wide streets of the Manitoba town had become familiar.

My sister had kindly kept from me a letter which would probably have resulted in a life spent in producing Ceylon tea. Mr. Baker, my first chief in the West, induced me to answer unfavourably a telegram which almost certainly had within it the makings of an American citizen. So, it would seem, does Providence sometimes steer our barque.

CHAPTER V.

Portraying scantily the lives of a poor prairie line and a beloved prairie town.

N the way to the office one morning I heard that Mr. Baker, general manager of a railway in Manitoba, was looking for an accountant. A first effort to meet Mr. Baker failed, and, hearing that he had gone to Ottawa, I found him there. He offered me the post, at a salary of \$150 a month, which was little more than I had received in New York. But the prospects in the newest section of a new country seemed better than elsewhere; and so I became the accountant of the Manitoba and North Western Railway, at the head-quarters in Portage la Prairie.

The summer of 1886 was the first during which there was direct train service between Montreal and Winnipeg. Leaving Montreal Monday morning, the train reached Winnipeg on Thursday morning, and Portage la Prairie in the afternoon. Through the wilderness around the lakes the C. P. R. had innumerable wooden trestles, since filled in. Some of the engines still burned wood. With a new and unsettled roadbed, it was impossible to make very fast speed.

Port Arthur was still the C.P.R. port at the lakehead. The change to Fort William, because

Van Horne and the town couldn't agree about taxes, was one of those civic tragedies the effects of which time only partially obliterates. Horne said he would make grass grow in Port Arthur streets. The prophecy was fulfilled. For years after the removal to Fort William, it was said, all Port Arthur's local debts were paid by the circulation of the only twenty-dollar bill preserved to the town. Port Arthur began to amount to something when the Canadian Northern came through from the West, and the seven-millionbushel elevator arose, like a temple of prosperity, on the waterfront, at the beginning of this century. Up to that time the C.P.R. had been everything in the West, and, as a natural process, had gobbled up everything in the way of feeders and rivals, including the Manitoba and North Western. An end was to come to this unchallenged supremacy, but nothing could deprive the C.P.R. of its primacy in the West and East-a primacy which has been used, broadly, for the advancement of the country. Every sane Canadian is proud of the C.P.R.

Mr. Baker, my new chief, was originally a rail-way man. He was an Englishman and had been private secretary to Lord Dufferin, the governorgeneral. He was on Van Horne's staff in Winnipeg when the meteor was upsetting many precedents, four years before. The Manitoba and North Western was projected in 1880, as the Portage, Westbourne and North Western. The line was to start somewhere near Portage, and was to reach the northwestern boundary of the province. The

town gave the railway a bonus, and so secured the terminals. The line was the first feeder of the C.P.R. in the prairie country. Its constructing engineer was Major Rogers, who discovered the Rogers Pass through the Selkirks, and refused to cash his gift cheque for \$5,000.

Those were the days of the first western real estate boom—in some respects the fiercest financial cyclone that ever struck Canada. In a way, the accountant of the Manitoba North Western fell heir to a few of its lugubrious legacies; so that some things about its course in Portage la Prairie will be in order-it goes into the background of the more solid development of the wheaten empire of the plains.

The C.P.R. enjoyed a monopoly in the West. The promoters of the North Western wanted connection, in the future, with some American line at the boundary. They located their terminus at the extreme east of the town, and south of the C.P.R., and, they thought, pre-empted a crossing of the C.P.R. They bought 340 acres for \$70,000, nearly. two miles from where the terminals were finally established, and built a roundhouse for two engines. It wasn't then clear which way the town would grow-there was for many years a rivalry between the west and east ends. For an ambitious railway to buy 340 acres, and build a home for two locomotives was regarded as a pretty good insurance of the town developing eastward, and it was confidently expected lots of money could be made out of the sale of the land.

The 340 acres were christened the Great East-Dr. Bain was sent to England to put ern Estate. it on the market. His expenses for two months totaled nearly \$12,000-in which he was a true antetype of some modern foes of frugalism. duced a syndicate to buy the property for \$1,250,-000. Some of this was paid; and, owing to the course of events, most of it wasn't. About ten years afterwards a competent valuator said the land was worth at the outside \$20 per acre. The roundhouse that cost \$5,000 was blown down before it had been up a year. Finally, the timber was bought by a farmer for \$50. The land reverted to its original owners, along with the cash payments that had been made upon it. The North Western's dream of riches through the sale of lots was over.

The bubble was all out of the western boom long before I landed in Portage la Prairie. Many of the town's fifty real estate operators had gladly worked on North Western construction. The effects of inflation were all around. The morning after a real estate orgy is apt to last till very late in the afternoon. For practically the whole of my ten years' connection with the Manitoba and North Western it was very much financial afternoon for the good town of Portage la Prairie.

We had about a hundred railway employees in Portage, including machine shop men, train crews, and the office staff, of which I was the head, and coincidentally with which a variety of other functions seemed to gravitate my way. The railway, when I came to it, was running to Birtle, 138 miles,

and had a branch to Rapid City, of less than 20 miles. In 1883 it had obtained a Dominion charter, with authority to build to Prince Albert—an objective which was not reached by a direct line passing through Portage, until 1905, when the Canadian Northern arrived by way of Dauphin, Swan River and Melfort. Of course, in 1886 the Canadian Northern was no more dreamed of than the radio was. The famous partnership of Mackenzie and Mann had not begun.

The Manitoba North-Western also had come into the hands of Sir-Hugh Allan and associates—as to which it can be seen how strong the passion for laying rails and ties is in the human breast where once it has found a lodgment. Sir Hugh Allan's syndicate, on which Sir John Macdonald's first Government had foundered, did not build the C. P. R.; but the old steamship man did have a hand in a prairie railway, after all. He did not long survive his advent to the headship of the North Western, and in my time the president was Mr. Andrew Allan, his brother.

Like other branch lines which later struggled into existence, only to fall into the big fellow's hands, our road had more anticipations than way-bills. Indeed, in the West, it was a devout saying, "Faith, Hope and Charity—and the greatest of these is Hope." The season before I joined the line it had carried a total of 362,952 bushels of grain. In 1886-7 we brought 427,650 bushels to the terminal, and handed them either to the C.P.R. or to the mill. The total grain shipment from the whole line then,

was only what became a very common season's business at station after station on the Canadian Northern, not so many years later. The other exportable freight were cattle. We couldn't roll in wealth, when the carloads of stock handled for the years 1885-9 averaged fifty for the whole system.

Even so we were a goodly portion of the financial backbone of Portage la Prairie. We managed to pay the wages, without which the merchants' cash takings would have had a very low visibility. We were identified with the life of the community in a way that is not so easily recognized in large cities where railway employees are a small percentage of the population. As the Portage was and is typical of Western Canadian development, a sketch of it as a newcomer learned to become assimilated with it, is probably worth while.

During the early history of the West the Port age was on the map; for traders portaged the fifteen miles across the plain from the Assiniboine River to Lake Manitoba. Its modern history began when, in 1851, Archdeacon Cochrane, seeing that the Fort Garry settlement was becoming saturated, as far as the then conditions of population could be judged, founded a mission and settlement near the old post on the Assiniboine, fifty-six miles west of Fort Garry. The land was a little lighter than in the Valley of the Red, and was likely to ripen crops a week or ten days earlier than on the lower level. The supereminence of the Portage Plains as wheat growers was later to justify the noble archdeacon's foresight.

The population was mainly of Metis and Indians. The white farmers who came in were few indeed. John McLean, the first, was a good deal like Nehemiah, for, so to say, he cut his hay with one hand and held his rifle with the other, on account of the somewhat summary quality of Indian manners. In the seventies, after Riel's rebellion had ended, and the province of Manitoba was set up within the Canadian Confederation, there was a fairly steady influx of farmers, largely from Ontario. Until 1869 the whole country belonged to the Hudson's Bay Company which, under the charter of Charles the Second, exercised sovereign rights over the people. "The Company" built its Portage store at the extreme west of the settlement, and refused, as commerce developed, to sell land any distance east to other traders. The east and west rivalry that was long a feature of the town life thus began; but the company was defeated by events, and later had to move east.

A prominent man in the town when I arrived there was an Englishman, E. H. G. G. Hay, familiarly known as Alphabetical Hay. He ran a machine shop at the east end of the town. He had been the leader of the Opposition in the infant Legislature of Manitoba and had shared in presenting to the world Portage la Prairie's unique contribution to the evolution of constitutional government under the British crown. He was one of the participants in the loyal republic of Manitoba, from which the province of Manitoba takes its name.

There had come to Fort Garry in 1866 a Mr. Spence, who called himself a land surveyor, and said he had been an officer in the British army. He was a born disturber of the political peace. In a little while he called a meeting at the Court House to consider the future of the settlement. With four others he held the meeting an hour before the appointed time, and passed resolutions in favour of joining the Canadian Confederation, then about to be consummated. An hour later a very indignant meeting rescinded these proceedings, but they were, after all, the real beginning of the annexation of Rupert's Land to Canada.

The next year—1867—Spence moved to Portage. Fort Garry was in the district of Assiniboia, which was administered by a governor and council, whose jurisdiction did not extend to the Portage. The place and the very sparsely settled country round about had no administration of the law locally, because there was no law to be administered. Spence procured co-operators, who formally constituted the Republic of Caledonia with very indefinite boundaries. Afterwards the name was changed to Manitoba.

A council was set up with Spence as President. The first need was a court house and jail. To get the money for a building the council imposed a customs tariff; but the Hudson's Bay Company factor refused to pay taxes to the new republic-within-amonarchy—for Spence and his coadjutors avowed their loyalty to the British Empire, and denied the





SIR DONALD MANN
"Whose capacities are in keeping with the solidity of his physical frame" (P. 248)

"Faced a heavier task than anything that confronted Stephen, Smith or Van Horne" (1) 241)



common allegation that their ultimate object was incorporation with the United States.

At High Bluff was a shoemaker named McPherson. He started the story that the customs collected for the temple of justice were being spent on beer and whiskey. Refusing to recant his charges he was arrested and tried, with President Spence as accuser and judge. Farmer John McLean interfered, in his broad dialect, and turned the trial into a farce? The republic died a natural death, Spence having vainly appealed for recognition to the Colonial Secretary, the Duke of Buckingham.

This republican episode is mentioned partly because it will be news to many people, and partly because it indicates that more than a mere spice of originality went into the infancy of communities like Portage la Prairie, and coloured their maturer years.

Our public meetings were always well attended, and almost invariably produced their own rows. They were our only movies and were strictly homemade. The town nerve was on edge for many years, due, to a considerable extent, to the financial embarrassments that were legacies of the boom. In the year after I came whole blocks of land were sold for a dollar. Anywhere else the lots I bought at tax sales would have created a land baron. They merely impoverished me.

The town's debentures were of so precarious a value that a Government Commission was created to suggest how the civic liabilities should be met.

In the midst of these economic difficulties the place was smitten by an epidemic of fires, beginning with the destruction of the fire hall itself, and the disabling of the engine. In the end a firebug was rundown, when it turned out that he had been incited to and paid for arson by a prominent hotelkeeper. The incendiary went to jail for five years. The inciter was let off on the ground that he only gave coal oil to the other man when he was drunk. He accepted an invitation to depart.

Railroading may seem to have been a humdrum business in the midst of excursions and alarms like these during a period when provincial politics were furiously on the boil, with the one time republican Portage the centre of many a blistering splash. How could it be otherwise when our most prominent lawyer was the redoubtable Joe Martin, who died last year, after having been in turn attorney-general of Manitoba, M.P., at Ottawa, Premier of British Columbia and member of the British House of Commons—the only man in history, I believe, who sat in four British Legislatures.

The Martin firm, even after its head became attorney-general, was very keen in fighting for its own hand in local affairs. The east-and-west bitterness lasted right into the post-firebug period, as I very well know. The civic government became demoralized. Something like a fresh start was imperative. The Manitoba and North Western accountant, auditor and man-of-all-work generally, was persuaded to become one of the Town Council of six. A new fire hall was needed. We proposed

to put it in the centre of the town, where it now stands. There was a demand that it be placed in the east end. Smith Curtis of the Martin firm was active to that end. He called an indignation meeting to protest against what the council was expected to do. The council met early the same night.

The council used to meet where the fire engine was installed, and sometimes the citizen spectators of our doings would be seated on the engine. As the protest meeting was going on the council filed in, and there were calls for the chairman of the finance committee, who happened to be the accountant aforesaid. He rose and said only that the contract for the new fire hall had been signed half an hour ago. Hubbub.

If municipal experts are looking for something novel in fire protection they may find it, possibly, in a phase of Alphabetical Hay's civic patriotism. After we lost our first fire hall and engine, he got an idea that the engine could be made to work again. The town had lent him money. He was to be forgiven the debt if he could restore the engine. He restored the engine, but owing, to temperamental difficulties, didn't hand it to the town for a year, during which time several fire-bug conflagrations were extinguished by the town's engine, through courtesy of Mr. Hay.

Take two illustrations of how the force of a small railway headquartered in a small town can be more of a community factor than is possible in a large centre. Mr. Baker, the North Western manager, was a public-spirited citizen, and, like many Eng-

lishmen, a strong supporter of sports. He fostered cricket and other games. A summer picnic to Lake Manitoba, originated by himself, became a very popular institution. During the agonies of the incendiary period, the lack of a suitable bell that would sufficiently alarm the neighbourhood was keenly felt. Money was too scarce for a bell and belfry to be thought of. The railway came to the public's aid.

This was the period, young people may be reminded, when the towers in the Toronto fire stations contained bells that were rung, two-four, fiveseven and other strokes, announcing the locality of the fire, in accord with the chart that hung in every Mr. Baker had a monster triangle made out of a steel rail. It was hung on a frame, thirty feet high. When the alarm was given it was a noble duty for the proper official to strike the leviathan lyre—and it could be some lyre. It hadn't been up very long before a mighty wind blew down its unbraced frame. Afterwards a bell was bought and put into a tower of its own. It also blew over, cracking the bell. Whereupon the bell was hung in the town hall, where the only dangerous winds blew from inside, and there it never failed to raise its cracked but effective voice at the appropriate moment.

About the time I went to Portage la Prairie electric lighting was coming into vogue in ambitious, progressive cities. The first joint stock enterprise in which I was a shareholder was the Central Electric Light Company, organized with eight

shareholders and a capital of forty thousand dollars, and of which I was a director and secretary-treasurer. The president was Bob Watson, M.P. for Marquette, the only Liberal member west of the Great Lakes, and now senator. One of the directors was Joe Martin. The manner of his ceasing to be a director is a diverting story of how a resignation offered in haste can be accepted at leisure. The pranks which the meters of those times played would enable another tale to be unfolded—when the unfolding is good.

We rather fancied ourselves as the first electric lighting company between Winnipeg and the Pacific ocean. Despite the dumps that had followed the boom, many of our leading citizens still believed that the Portage was destined to be a vast emporium of western commerce. I doubt, though, whether these hopes were cherished by three such typical men, all happily living, as Judge Ryan, Michael Blake and Bob Watson. Of these probably the present senator was the most typical of the steady-going qualities which, after all, have transformed the empty Rupert's Land into the three populous provinces of this period.

Bob Watson was a mechanic. He was sent in 1876 by the Goldie, McCullough Company of Galt, to instal the machinery in the first mill erected at the Portage. He also put up a mill at Stonewall, and started in business for himself. He was in the town, and of the town. The fire brigade had no more vigorous member. His machine shop was a place of popular resort. The farmers knew no more

consistent, more lenient friend. Largely because of his popularity he was sent to Ottawa in 1882 as M.P. for Marquette. A partnership with his brother was formed in 1886. After ten years at Ottawa he joined the Greenway Government in 1892, as a conscientious, hard-working Minister of Public Works; and stayed with it till its end in 1900, when the Senate claimed him.

Everybody calls him Bob, and everybody will agree that though there have been more brilliant Portage men—a former premier of British Columbia and a former premier of Canada, Mr. Meighen, both graduated into statesmanship from their modest offices on Saskatchewan Avenue—there have been none more admirable than the senator.

Red Fife was not as popular a wheat as it afterwards became, thanks largely to the experiments of a much-abused railway. The still earlier Marquis had not been evolved by Dr. Saunders. On the Portage Plains, where frozen wheat is now a rarity, it was then too common a drug on the market—I could tell of a man bringing a load into town that he could not sell at any price.

The danger of frost is when the milk is in the ear. In those days it was thought that a smoke over the land would prevent the freezing temperature reaching the ground, and that smoke and its accompanying warmth would keep a current of air moving over the fields of grain and thus save it from damage. The farmers cut weeds, and put them and straw in windrows round their fields, ready to be

fired at the critical hour, which was usually about four or five o'clock on August mornings. We installed a big light on a staff at the top of the highest building, the Farmers' Elevator. We kept in touch with the meteorological office at Winnipeg, and if we were advised that frost seemed to be imminent, about midnight the big arc lamp was set going, and in the dark hours before the dawn the protective fires would be seen flickering across the plains.

It cannot be told precisely whether this procedure really saved anything to the farmers. it is true that, not only was it to our interest to do what we could to assure good crops to the farmers, on which the town's prosperity depended, but the element of public service entered actively into this revival, for agriculture's sake, of the beaconmethod of warning against fleshlier invaders than lack Frost.

The rural telephone was not a possibility of those times. Life may have been more meagre then than it is now: though, looking back, it does not seem that it lacked any of the best elements of happiness. The town of five thousand people has distinct advantages over the city of five hundred thousand. Everybody may know more of everybody else's business than is always good for anybody; but there is a greater neighbourliness in the smaller community. On the whole despite poverty, firebugs and politics, the Portage of the late eighties was a goodly place to dwell in.

The winters were severe—nobody ever succeeded in reducing forty below zero to a poetic phantasy. But there was a snowshoeing club; there was plenty of social intercourse; the choir would give concerts at Burnside or High Bluff, under the leadership of one who had heard his father's pitch pipe in the Original Seceders' kirk at Pollokshaws. From that choir, by the way, there went out into a great career on the concert platform Edith Miller, whose father was postmaster, and whose husband is heir to a baronetcy.

In some of the churches the ultra-strictness of the Puritan faith and practice rigidly obtained — or rather among some of the church people. There was old Hugh Macdonald, for instance, who wouldna' drive his horses the twa miles to church on Sabbath. He warned me against being entangled with "sae mony wimmins" who, to their shame, sang without their hats on, alongside the idolatrous box of whustles that degraded the pulpit in the hoose o' God.

The Baptist minister was also a Macdonald. He was once announced to preach on a week-night in Gaelic, and Hugh and his freen Grant repaired to the church to consume choice spiritual fare. They walked solemnly in, deposited their tam o' shanters beneath the seats, and awaited the meenister. But the harmoniumist appeared while yet the preacher tarried in the vestry. There she sat, the bold thing, trilling her fingers over the keys—a voluntary they called it. That was no way to precede a sermon in Gaelic, and Hugh and his freen forsook the place more solemnly than they had entered it.

By the way, the land for the Presbyterian church in which we worshipped was given by Michael Blake, a Roman Catholic. Peace be to him.

Perhaps the next misdemeanour to making too joyful a noise before the Lord in the sanctuary was promoting appreciation of masic in secular circles. One's reluctance to claim any sort of literary credit is well-founded on experience. For years I contributed a musical column to "The Portage la Prairie Review", signed "Baton". The harmonious intent of these effusions was as sincere as the occasional atempts to flavour the column with a little cheerful humour were unappreciated, where they might have been heartily welcomed. I remember giving a local application to the story of Sir Michael Costa, who, annoyed by conversation in the audience while his orchestra was in its most classical throes, suddenly commanded silence, above which was heard a lady's voice, "We fry ours in butter." As a literary fun-provider the sequel to this venture indicated that accountancy and musical journalism were not a charming combination.

A trifling outgrowth of the Minnesota massacres by Sioux Indians is said to have led to one of those allusions to Canadian life in the British Press which from time to time enrich "colonial" observations. Billy Smith was a prosperous farmer and miller, in whose scrupulosity about weights, those who sold him wheat had not unlimited confidence. Billy lent out a great many grain sacks on which "W. M. Smith" was printed. He lost track of several score

of these sacks, and for some time suspected that they had been taken by certain critical customers.

Among the Indians near Portage la Prairie was a band who had come in from Minnesota after the frightful massacres of the early sixties. They received no treaty money from the Dominion Government, and were locally called Bungay Indians, for a reason of which we were ignorant. Soon after Billy Smith missed his sacks, Indian bucks, squaws and papooses began to appear in town, breeched in trunks primitively adapted from what the miller intended to carry only two bushels of wheat; with "W. M. SMITH" appearing where the easy-going man, though a fool and poorly educated, could not fail to read.

The Indians got their clothes and the town got its fun, at Billy Smith's expense. The fun lasted longer than the breeches, for news came that a writing tourist, seeing some of the Smith-tailored Indians on the station platform, wrote in a widely circulated English periodical that the most striking evidence he had seen of the transformation of, and good order among the Indians of the Far West, was at Portage la Prairie, where the aborigines had not only assumed the good old English patronymic of Smith, but carried it conspicuously on their attire, which was approximating, though somewhat crudely, to European models.

But it will not do to become more garrulous about a Manitoba town of nearly forty years ago. In 1893 the North Western was handed over to a receiver, the present Sir Augustus Nanton. The accountant and auditor was transferred to Winnipeg, whence the salvage operations were more effectively directed by the future knight, whose railway experience frequently made him certain that it is sometimes more blessed to give than to receive.

CHAPTER VI.

Remembering when farming in the West was misunderstood, and land could not be sold.

IN some respects, the Winnipeg of thirty years ago was a truer reflection of the conditions in the country from which it drew its sustenance than it has been during the last two decades. The boom had broken so disastrously that people asked whether the prairie region could ever be a country. Immigration fell to almost nothing. Beyond Manitoba, for several years, there were more abandoned than occupied homesteads. We said: "The greatest of these is Hope," but we didn't say "Hope" with capital letters during most of the ten years I was with the Manitoba North Western, the last three of which were spent in Winnipeg.

The census of 1891, in the midst of that period, gave only 152,000 people for all Manitoba, and 98,000 for the Northwest Territories. This quarter of a million, from the Lake of the Woods to the Rocky Mountains, and from the American boundary to the Arctic ocean, included about forty-five thousand Indians and Eskimos. From 1881 to 1891, the natural increase among the whites, and immigration to the present provinces of Saskatchewan and Alberta—leaving out of this the present

North West Territories-increased the population by only forty-two thousand.

Winnipeg, then, was the only city for about three-quarters of a million habitable square miles. When the first locomotive entered the city on Christmas Eve, in 1879, on rails laid over doublelength ties across the Red River ice, under the supervision of Mr. D. D. Mann, about six thousand people were within it. At the height of the boom, in 1882, the population was estimated at 33,000. When I first saw it in 1886 the people were said to number 20,000, of whom probably 2,000 were creditable to Hope. By 1891 the total had crept to 25,000. The growth was puny until later than the twentieth century came in, for in 1901, five years after the Canadian Northern was begun, the enumerators found only 42,000 people in Winnipeg.

The explanation, of course, is that prairie agriculture had not developed as rapidly as the prophets of Hope had foretold. The abandoned homestead told an eloquent story, but not the whole story. The conditions governing crop production on the plains were imperfectly understood. conditions underlying permanent settlement were not appreciated by the Governments or by the business people who were largely interested in colonization.

The prairie farmer's two prime foes are frost and drought. To defeat frost, early-ripening varieties of wheat are necessary; for, if possible, the entire process from seeder to binder should be completed within 110 days. The evolution of Red Fife and later of Marquis wheat largely solved the frost problem, though it is still true, despite the issuance of much literature, that the nearer you approach the North Pole the chillier the nights are prone to be.

There is no denying that over a considerable proportion of the treeless prairies the climate tends to scarcity rather than abundance of rain. Through the late eighties it was commonly said that while wheat might possibly be grown around Regina, the ultima thule of wheat farming was Moose Jaw, forty miles west. The Government's maps of the pre-railroad era showed Battleford, the capital of the North West Territories, at the junction of the Battle and North Saskatchewan rivers, 300 miles north of the international boundary, as the northern apex of the great American desert. The flora of the country was of drought-resisting species, like that of the middle north-western states.

Conservation of moisture in cultivated soil was thought to be entirely a matter for unassisted Divine Providence. It was found to be good to let a third of the broken ground lie fallow each year—to give it a rest, and to clean it of weeds. The farmer saw last year's stubble swiftly hidden by weeds in May and early June. Towards the end of June he plowed the weeds in, using a logging or other chain from his off-horse's whippletree to the coulter, with a dragging loop to pull the long plants straight into the furrow, and entirely bury them. The heavier the green crop plowed in, the more, when rotted, it enriched the soil. But the heavier

the weeds, the stronger their roots and the easier for the sun to dry out the loose covering soil. When the summer-fallow had been plowed, the farmer left it untouched. The sun thoroughly dried the land. Rains in the fall, and the melting snows of spring did the less soaking because of the more drying of the torrid summer time.

Experience has changed all that, thanks mainly to the experiments of a wheat-grower below the line, who became famous as "Dry-Farming Campbell". The wise farmer, with his gang plow, turning two or more furrows at a time, harrows as he plows, and makes a mulch of finely powdered soil, through which the sun cannot suck up the moisture as he did through unmulched soil. By frequent harrowing during the summer the mulch is kept efficient, and the moisture wonderfully conserved. Next year, if there is drought all around, the sower will confidently expect twenty bushels from each acre of his dry-farmed land.

This simple device for the conquest of aridity had not been discovered when I became a Westerner. But there was no reason why immigration should not have been fostered on wiser lines than those that were followed. The immigration policy of the then Dominion Government, viewed in the light of 1924, is something wonderful to behold; and its literature something terrible to read. It was represented that a British family arriving with seven hundred and twenty-seven dollars and fifty cents could carry their farm until their farm carried them.

It was an alluring prospect that the Queen's Government held out to the Queen's subjects. The spirit of it was "You tickle the soil with a plowshare, and it giggles you back a fortune." There wasn't a word of cautionary advice. The newcomer was to discover his homestead, build a house, buy a yoke of oxen, a wagon and a plow, and watch himself grow rich with his growing grain. It used to be said, with some sediment of truth, no doubt, that Government agents told the confiding Englishman, who had never seen a milkpail, that his oxen would plow the land all day and furnish cream at sunset.

There was great need for people in the illimitable, empty country; but there was greater need for very uncommon common sense among those who procured the people. The politician and his henchmen who were thinking of votes risked none of their own money on immigration promotions. But there were other interests, who sincerely desired to settle the prairies with good people, and who obligated their own and others' finances to that end—the owners of the Manitoba North Western, for example.

Over and above their means for raising capital for building the railway, they established companies for furnishing the railway's territory with the settlers who alone could furnish the railway with the traffic, which alone could keep it alive. The Commercial Colonization Company was chiefly concerned with catching the immigrant. The Canadian Settlers' Loan and Trust Company financed

him, when, at his own charges, he arrived on the scene of his predicted triumph.

Legislation was procured under which a lien could be placed on the homestead—the 160 acres of land—while it was still the property of the Canadian Government, and the homesteader was performing the work which, after three years, would secure him a patent. In those days no intending farmer in his senses thought of buying land, when he could get 160 acres free, and could pre-empt another quarter section, with the right to buy it at \$2.50 an acre.

The emigrant was told a farm would be selected for him, and that the Settlers' Loan and Trust Company would build a house, dig a well, furnish a yoke of stout and trusty oxen, a wagon, a plow, and other items of a farmer's outfit, and would ask no payments for two years, by which time, all being fairly well, his crops would at least enable him to live and meet the fixed charges of his debt.

The improvements, gear, and interest due for two years would absorb \$600, and the homestead would be obligated to that extent. That was a very good scheme, on paper, as most financial schemes are. But it lacked two essentials of success—the right selection of people, and the right initiation of them into the mysteries of wresting a living from an unknown soil, and a capricious, misunderstood climate.

The rock upon which so many immigration schemes have split has been the belief that the most essential requirement of all was people with money of their own. A Scot is the last man in the world to depreciate the value of money; but nobody is better aware that money is not the principal thing, when a family is invited to emigrate to a strange land. Distant fields look green. Distant farm work is very apt to look romantic. It is a beautiful contemplation for a man, tired of an old-world city and its grinding occupation, to gaze across half the world, and see himself the centre of an exquisitely balanced estate—the lowing herd winding slowly o'er the lea; the rustling fields of golden grain in the still more golden, evening sunglow; and the occasional sallying forth to shoot the game which chiefly retards the plough.

This vision of a new life, in a new world, has got seed-catalogue gardening beaten to a hum-drummery. It may go into a man's history as a charming idyll of the mind, but it is likely to meet sudden death at a pair of calloused hands, a yoke of cattle who insist on running the wagon into the middle of a miry slough, and a plow which, striking a stone concealed in virgin soil, lifts its handle against an unoffending jaw. The West always needed people with the will to work, and an inherent attachment to the land, and not too proud to take guidance from those who had been through the mill. When money has gone and profitable experience hasn't come; the will to work on the farm is likely to succumb to a desire to return to urban occupations, which, though they are good enough in themselves, are not Canada-builders, as farming is.

The Manitoba North Western subsidiaries and allies settled a great me people on the plains about Birtle, on the inc. the co-operative plan. But many of the selections were not wisely determined, and inadequate measures were taken to see that they made the best of their chances when once they were installed. Nobody can tell the story of the ineffectual attempts of a green old country townie to make a prairie farmer of himself as well as the man himself can, when his sense of humour is sharpened by, and has survived the discipline, cruel as it has often been. I am rather proud of having been a good potato harvester as a boy in Scotland, but that isn't training enough to qualify one to depict the romantic difference between the prophecy of a Government folder a generation ago, and the alternately perspiring and freezing job of trying to make it come true.

Scarcely more than ten per cent. of the six hundred brigade made good on their homesteads. I spent many weeks one summer, after the railway had received a receiver, among the farmers around Saltcoats, trying to find customers for the lands which had fallen in to us, since the patents were granted, and the homesteads forsaken. In some cases we were glad to get a hundred and sixty dollars for land, improvements and all. If I confessed all the truth it might be not so very far removed from a story of the land-poor epoch in Minnesota, which assuredly is an opulent state of the Union to-day.

88 EIGHT HUNDRED MILES FOR WOOD

A farmer drove into a prairie town down there—Marshall, I think—with a calf for which he was seeking milk. Asked how he reached such a fix he said:

"Well, a stranger came to my place with this calf and wanted milk for it. We had none; so he asked me if I would trade something for the calf. I said 'No', but he was so cussed persistent that at last I told him the only thing I could trade for the calf was a section of land. He wouldn't have it; but was willing to take half a section. Finally I accepted his terms. But I got ahead of him, after all; for when we came to make out the papers I found the sucker couldn't read! and I've landed the whole dum section on him."

One farmer whom I visited was an old naval man. He was literally a sailor on horseback. He was just starting out on his horse to round up his solitary cow. He would buy no more land; and, indeed, declared he would leave the country if only he could get out. "This is no country for a reasonable man," he complained, "when you have to go eight hundred miles for cordwood."

"That can't be so," I retorted, looking eastward towards the Porcupine Hills clothed with timber and abounding with game.

"I'll prove it to you," was the answer. "I have to go twenty miles for firewood, don't I? That's forty miles, there and back, for a load. It takes twenty loads to keep us warm one winter. Twenty times forty miles is eight hundred. Now, am I right?"

Lest it be thought that these depleting conditions applied only to the territory of feeble branch railways like ours, look at a few other conditions which afflicted the infancy of the country immediately tributary to the main line of the C.P.R.

E. A. James, who became the operating manager of the Canadian Northern lines after my removal to Toronto, used to tell how in 1886 he was one of the C.P.R. men who received no salary for four months. The C.P.R., though it had connected with the Pacific ocean, was like a poor man with a large and growing family, who finds his boys pushing their legs through their breeches faster than he can conveniently cover them. The original outbound traffic from the Territories had been buffalo bones, but the supply was limited. Though a line had been built through the mountains, snowslides compelled the erection of long and costly sheds to protect the track from the avalanches which were destroying life and property-nine men were carried to death as they were working on a bridge in 1885.

The C.P.R. was on the Pacific shore; but there was no traffic with the Orient. Steamers had to be provided which could not possibly pay at the start. The first C.P.R. steamer from Vancouver to Asia carried two carloads of shingles and the bodies of several Chinamen piously being returned to their ancestral sepulchres.

The capital of the North West Territories had been moved from Battleford to Regina with the building of the railway across the plains. Regina had about fifteen hundred people. When it had for ten years been the seat of government for a territory several times as large as the whole German Empire, if a new-comer wanted a house, the owner, instead of naming the rent, asked what he would pay. Calgary was the cowboy's haunt, and the remittance man's refuge. Edmonton was still at the back of beyond; several days' journey from a rail@ay.

In Manitoba, Brandon was bravely telling itself that some day it would beat Portage la Prairie, and furtively dreaming of keeping up with Winnipeg, when once it had reached its stride. About twenty-five hundred people were on the southern slope of the Assiniboine; and a great deal of wheat was sold by farmers on Pacific Avenue, beside which stood several elevators. The grain came from far south, and far north—because there was no other railway to receive it. Brandon now stretches across the Assiniboine valley, right to the border of the Dominion Government's experimental farm.

The history of the acquisition of that farm for public purposes illustrates, as well as any episode I know of, what the position of land and agriculture was in a favoured section of Manitoba about the time I became a Manitoban. The original homesteader and pre-emptor of the Experimental Farm was a bachelor named Charlie Stewart, whose brother Jack took the land immediately west of him. Charlie had 320 acres, running down to the river, covering the northern slope, and taking in some of

the upland. It had all the diversities which should distinguish an experimental station.

The harvest of 1887 was the best Manitoba had ever known—the most abundant, indeed, until the phenomenal crop of 1915. The C.P.R. had twelve million bushels of grain to haul to Port Arthur, and the task staggered the equipment resources of what was even then regarded as an enormous railway system. Fields that were estimated to yield twenty-five bushels to the acre, threshed out forty and more. Ideal weather had come just at the time the heads were filling; and instead of some rows not amounting to anything, as often happens when milk in the ear is scarce and development is hindered by hot sun and dry winds, every husk contained its berry.

This 1887 crop, of magnificent quality, sold in Brandon at from forty-eight to fifty-one cents a bushel. It was a common saying among the farmers that a good European war was needed to make Manitoba wheat worth something—perhaps two dollars a bushel might be obtained at some impossible time. The big European war did come, and wheat did go to two dollars a bushel—far higher, in fact. But there was not so much rejoicing as seemed possible in the eighties; for the other unthinkable thing had happened, and Manitoba farm boys were being slain in the European war that made Canadian wheat so dear.

During the summer and harvest of 1887 the Dominion Government agents had tried to buy Charlie Stewart's farm. He didn't want to sell; for the

place was handy to town; his old mother was well settled with him; and there were advantages in being so near Brandon. On the other side, the Government wanted so ideal a place, and the situation was something of Ahab and Naboth's vineyard over again, but with no Jezebel intervening.

One day in the early winter Charlie Stewart was horse-power threshing at Dan MacMillan's, up the valley, close to where the Little Saskatchewan enters the Assiniboine—perfectly level fields, good soil, and flanked by what was left of the original bush, in which were scores and scores of stumps the trunks of which had been cut down and taken away by the beaver, remains of whose houses were still among the brush. To the outfit a Government agent drove. Charlie Stewart left the stack, and after about ten minutes returned, the agent driving away. When he was a couple of hundred yards off, Stewart began to blaspheme as mildly as he knew how, with regret that he had sold his farm.

Impetuosity was nothing new to Charlie Stewart, as one of his mares, circling with the horse-power gear below him, silently testified. She was a big, dark-grey Percheron, foaled on the present Experimental Farm. When she was a few weeks old, and while Charlie was plowing with her mother, she got out of the yard, and came over to impede the breaking, as fillies desiring nourishment will. Failing to drive her off, Charlie pulled her back to the stable by the ears—and her ears never pricked again.

Next time you travel westward through Brandon, watch the Assiniboine valley as the train begins to climb away from the spacious station. You will see the Experimental Farm in and across the valley, west of the main road to the north, which crosses the river by the steel bridge. It is a lovely sight, of perfectly developing crops, trees flourishing with luxuriant foliage, and buildings which belong to yourself as much as they belong to anybody. As you reflect that the Dominion Government, in the year of Manitoba's record crop, bought that three hundred and twenty acres of land and buildings on it for twelve hundred dollars, you will know that, in terms of money at least, the West was cheap—to those who had the money.

It must not be supposed that because the crop of 1887 was extraordinarily good, farm returns were not fluctuous. Eighty-seven was perfectly fine. Eight-eight was also fine—up to the second week in August. Then came a frost, a killing frost, and thousands of acres of splendidly-grown straw and half-filled heads were plowed in. To those whose grain was far enough advanced not to be utterly spoiled by one awful night, the fall brought a marvellous comfort.

It was the time of Old Hutch's corner of wheat at Chicago; and Western farmers with a pretty fair sample could sell for up to a dollar and twelve cents a bushel. The high prices did not last long, but they were a godsend to those who received them.

The fluctuation had its influence on the tendency towards farmers' organizations which quickly became discernible in the West, and which had already found expression in the Farmers' Union, the inspiring spirit of which was a Mr. Purvis, a true forerunner of the Motherwells, Crerars, Woods and Morrisons.

The Union men objected that, as to grades and prices, the wheat buyer, was a dictator to the man. who had driven into town with his load, and must take what was offered, or haul his stuff home on the chance that next week prices would still further be down. The C.P.R., under its monopoly charter, was in a very strong position, and was also under persistent imputation of being in collusion with the grain buyers. Perhaps nothing is more remarkable in modern Canadian life than the suspicion that the railways are at the bottom of every sharp practice which the public believes it has seen, or knows it has endured. In the eighties it was notoriously undeniable that Manitoba farmers, near the boundary, received several cents a bushel less for their wheat than was paid across the line, for exactly the same grade, the price of which was understood to be finally determined by exactly the same final condition-the European market. With the Canadian Pacific enjoying a virtual monopoly, it was easy to assume that the whole trouble was with the magnates of Montreal. But it wasn't.

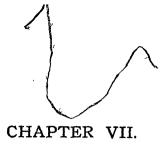
After his advent in 1882, it did not take Van Horne long to establish his supremacy. The president of the C.P.R. was George Stephen, who be-

came Lord Mountstephen. But he had removed to England, and Van Horne had a free hand in Can-He had his faults, of course: but he was a big man, who saw railway policies in a big way. His attitude to the farmers was like his attitude to poor little lines like the Manitoba North West-He knew that the more the farmers received for their crops, after paying freight charges, the more they could buy, and the more west-bound freight the C.P.R. would carry. He knew that the small railway was acting as a feeder to the C.P.R. for both outbound and inbound traffic. He gave the weak line a square deal every time until it became apparent that it was intended to compete with the C.P.R. in the long-haul business. Then there was a fight, in which his antagonist needed all his wits if he wished to admire himself when peace was restored.

Well, the Farmers' Union busied itself with the scandal, as the Union called it, of Manitoba farmers having to sell their wheat for many cents a bushel less than their brethren did a few miles away. Just as the Canada Colonization Company is not the pioneer in financing land settlement, so the grain growers' organizations of this century were not the first farmers' bodies to jump into the business of grain buying, in self-defense of the farmers' interests.

The Farmers' Union began to-buy wheat along our side of the border at higher prices than were paid by the Manitoba elevator and milling people. For some time there was a great deal of puzzlement as to how in the world Purvis and his men managed to buy grain, and pay for it. The truth was that the C.P.R. and the Bank of Montreal, its very good friend, had a hand in the revolution—not purely as a sort of joint Santa Claus for the farmer, but because it was not good business to allow the farmer to be ground beneath the upper and the nether millstone.

I do not suggest, of course, that any railways have been operated in Western Canada purely as philanthropic enterprises. The farmer hardly claims that distinction for himself. But I do assert that the element of public service and public fairplay has entered more largely into railway administration than the public has often been informed; and that, often and often, compared with his fellows, in purely private undertakings, the lot of the railway president, manager, and financier has not been a happy one.



Telling how Manitoba struggled through an era of expansion and the war of Fort Whyte.

INNIPEG was at a peculiar stage of its growth at the time of my transfer there from Portage la Prairie when, in 1893, the Manitoba North Western went into a receivership, because it couldn't pay its fixed charges and the Allan interests became tired of finding them from private sources. Probably not many of the well-known men of the city appreciated that they were participants in a phase of North American history which would soon become almost as extinct as the dodo, and would be clothed, for those who had eyes to see, with a certain glamour of the age of chivalry.

The knighthood that flowered among the Indians, fur traders, and original farmers of the Great Lone Land, has not yet been accorded the idealism of the Crusades, or the picturesqueness of Robin Hood. The country had few ladyes fayre. The dusky maidens who became the queens of many mixed unions were attractive enough in their way, though they were never protected by moats and drawbridges; nor were their favours courted with armour and lance. But there were other elements in a unique style of living to which, one day, the touch of some wizard of romance will be applied.

The buffalo was to be replaced by the plowman, the Indian to be superseded by a more industrious relative, and the ironless Red River cart to be run off the trail by the iron horse.

Some of our daily friends in the early nineties, who still remain, dwindling to a small, reclusive band, had known the sovereignty of "The Company", had seen the Queen's uncamouflaged Government assume sway over the immeasurable terri-They had passed through the first Riel rebellion of 1869, with its execution of Scott, and the administration of affairs during the subsequent winter with Riel as President of the Provisional Government of Rupert's Land. Lawful authority was beleaguered, a thousand miles from the nearest centre of British power, and could only be restored by a military expedition which must travel over inland seas, through uncleared forests, and upon streams unfamiliar to military men-a wilderness unpopulated save for a few barbarians and isolated traders.

Caesar in Gaul, and the Crusaders bound for Jerusalem had no such resistance of primeval nature to overcome as was involved in the Wolseley relief of 1870, in which the Duke of Connaught shared, and which gave his name to Prince Arthur's Landing, later to be changed by Van Horne to Port Arthur.

In the Red River Expedition of 1870 was Charlie Bell, a drummer boy of sixteen, son of the registrar of South Lanark. When the artillery was brought up against Fort Garry, the gate was

open, Riel had fled from the breakfast table; and the crusade's object was accomplished without an angry shot being fired. Charlie Bell did not return to Ontario, but became as much a Westerner as if he had been so born.

Sometimes he was in the public service, officially. He was always in the public service, temperament-For a generation he was the annually-elected secretary of the Winnipeg Grain Exchange, and saw it grow from almost nothing to the biggest wheat mart in the world. He kept the Board of Trade straight while it was located in the City Hall, which was built in sure and certain hope that the boom would become a normalcy, and which still houses the civic administration. Western literature has had in him a faithful practitioner, and Masonry a pillar, even to the thirty-third degree. During more recent years he developed a strain of feeling of which Ontario folk may take notice. came to believe that the average Ontario man going West carries a disposition similar to that of the thoughtless Englishman, who said of Canadians generally, "We howns 'em."

It is a curious and somewhat delusive phenomenon in community life that men seem vaster in a large city than they do in a little town. Somehow, a Winnipeg leader is supposed to be a bigger man in that city of over two hundred thousand than the same man was when the population was about as big as Brantford's is to-day. That could not really be. Lord Strathcona, among the exaltation of Imperial London, was not truly greater than

Donald Smith was, buying pelts and wheat at Fort Garry, keeping Riel quiet, and, later, parleying with bishops over the school question.

Heavy railroad building, during the periodic flow of capital from a rich and loaning country, is an easier task than starting a small railway in a small community with very small resources. In this connection one thinks of a man who had an extraordinarily vivid career during the strenuous decades of his Western life. I mean Hugh Sutherland, who in 1874, was sent to Winnipeg as a superintendent of the Dominion Public Works Department.

He built the quarters for Governor Laird, and the mounted police barracks at Battleford, when the capital of the North West Territories was moved from Fort Pelly, near the headwaters of the Assiniboine, north of Kamsack, the first Canadian Northern divisional point west of Dauphin. Charlie Bell watched Hugh Sutherland's mid-winter arival at Fort Garry with his dogs, and always describes him as the handsomest man he ever saw.

It is like going back to prehistoric times to hear Hugh Sutherland tell of how he found it desirable to soothe the Indian mind by representing that the smokestack of an engine that he had brought into the country to saw lumber for the public works, was a cannon. It is amusing to hear him describe how, when treaty was being made with the Cree chief at the place where Battleford was to be built, he invited the Paleface to sit with him on a log; and how the chief, not being too clean, nudged nearer

and nearer, until the retreating Sutherland, finding himself at the log's end, was told that that was what was happening to the Red Man in his own country, and was asked how much further this sort of thing was intended to go?

When we have read of wars and rumours of wars because some country like Bulgaria or Serbia wanted access to tidewater, it has seemed a strange perversion of the proprieties of commerce that there should be so much anxiety to control the anchorage of shipping. But the urge to the sea has been a feature of Western Canadian life ever since the difference of five cents on a bushel of wheat has meant the difference between a Windsor chair and a Morris to a Manitoba landowner. Only, instead of longing for the glistening blue of the Aegean or the Adriatic, the prairie country has hungered for the leaden mists of the Bay, which Lord Grey, with a poetic licence not habitual with him, once called the Canadian Mediterranean-thinking, no doubt, of Fort Churchill and York Factory as the Cannes and Mentone of a too quiescent Riviera.

To make a grain route of Hudson Bay was an early and a latter ambition of the Winnipeg business man, to whom ice floes are not the same obstacle to business as they are to those who never knew what it is to trade while the thermometer is fluttering between forty and fifty below. When Hugh Sutherland had passed from the unexciting functions of a Government job, and was up to the eyes in developing the country, he became the chief propagandist for a Hudson Bay Railway. While

I was pursuing the even tenor of my way at the Portage, he, with an apostolic fervor, was holding meetings and painting pictures in the capital, to the end that the road towards the Bay, through the flat country between Lakes Winnipeg and Manitoba, might begin.

Infinite labour, infinite patience, because of infinite delays, and, in the constructive sense, infinite imagination, went into that launch of an enterprise which has halted men with larger resources and Governments with vaster powers than ever came Hugh Sutherland's way. But the labour and the patience and the romance that went into a truly heroic adventure did result in forty miles of railway being built, from Winnipeg to Oak Point—and there the money was exhausted, though the desire to spend it on reaching the Bay wasn't. Since then, as part of the Canadian Northern, the branch was extended practically the whole length of the peninsula, to Gypsumville—a name which tells why.

The lieutenant-governor of Manitoba was Sir John Schultz. What a career, Western of Western, he had had, to be sure. He was a medical student of Queen's University, Kingston, and came West in 1857, the year in which gold was reported on the Saskatchewan river, and the first party of explorers was sent to the prairies by a Canadian Government. At Fort Garry he practised medicine, and in the early sixties bought a share in the first Western newspaper, "The Nor'Wester". The sovereign Company exercised its powers rather arbitrarily, particularly against anything that looked like an

infringement of its monopoly of the Indian trade. Schultz was an ardent free trader, and fought The Company in his paper, and through a trading firm he established. He found himself in jail and bound with ropes as a sidekick to a dispute with his former business partner turned sheriff, and therefore a creature of The Company.

Schultz was later imprisoned by Riel. Convinced by what he overheard his guards say, that he was marked for execution, he escaped, after eight hours' work on a hole in the wall, made by a gimlet and penknife smuggled to him by his wife. This happened while Donald Smith was arranging with a convention for a Bill of Rights constituting the Provisional Government of Rupert's Land-all in anticipation of the arrival, during the coming summer, of troops, and also, as the purchase of Rupert's Land from The Company for £300,000 had been arranged, of its entry into the Canadian Confedera-Dr. Schultz became the first member of Parliament from the new province which was established in 1870; then senator, and finally lieutenantgovernor and a knight.

Perhaps there was no more compact embodiment of the emergence of Winnipeg from a frontier post to a Metropolitan capital than an old friend of all who were ever associated with him, J. H. Ashdown, who died while these pages were in the press. It is difficult for any of this generation who talked with a man whom a veracious writer called the merchant hardware prince of Canada, who was an alert, on-the-minute modernist, and

whose appearance long belied his years, and discern in him the tinsmith of Fort Garry, who served against Riel in '69, was put in jail with Scott, Schultz and Charles Mair, and was lucky to escape the fate of the murdered Scott.

Mr. Ashdown was literally one of the city Before he was Mayor in 1905-and he was called the best Mayor Winnipeg ever had-Before he was alderman he he was an alderman. was a leader in the movement to incorporate the city. Indeed, ever since his arrival, in 1868 he was a forefronter in every sort of civic advance, because he was built that way,

Natively, Mr. Ashdown was a Londoner. He came to Canada in 1\$53, at nine years of age. learned tinsmithing at Hespeler, in Ontario, under the old apprenticeship system, which inculcated obedience and frugality, until its subject was long past the period at which, in these times, young hopefuls are post-graduates of the School of Bringing Up Father. The Ashdown apprenticeship was decided on after finding a sixpence on the road he walked over from Guelph to Hespeler. That lucky sixpence brought these payments: board, lodge and laundry, twenty-five dollars the first year, thirty dollars the second year, and thirty-five dollars the concluding year.

The apprenticeship over, he ventured to Chicago and Kansas before sallying north. To reach Fort Garry he walked nineteen days from St. Cloud. Fort Garry, in 1868 furnished a fair livelihood to an expert metal worker, and illimitable outlook to a seer. Ashdown was both, and would go a long way to advance his business or broaden his grasp of the future. For a pioneering story this is as good as any that even the apocryphers have produced:—

A neighbouring hardware merchant becoming tired of his prospects offered to sell his stock, store and goodwill to Ashdown for a thousand dollars. Ashdown said he hadn't the money, but asked for a little time to turn the proposition over in his mind. It was Friday afternoon.

Monday morning the hardwareman met Ashdown, who said he couldn't buy the business. He had walked to Portage la Prairie, hoping to raise the thousand dollars, and had been turned down. The return trip, Winnipeg to Portage la Prairie, meant a tramp of 112 miles.

Against the background which the personalities of these typical men faithfully represent, one always thinks of modern Winnipeg in terms of historical glamour. Its business was always substantial and always anxious, the future being very tantalizing. There was an almost continuous procession through the papers of plans for great Western development. Railway schemes were the most intriguing and impressive. They were divisible into two main streams of endeavour—to defeat the monopolistic entrenchments of the C. P. R., and to build and magnify branches from the main artery of traffic, under independent control.

First, something about the anti-monopoly fight, in which the battle of Fort Whyte has a place all

its own in economic and political warfare; and then a few recalls from the long and wearisome trail of lateral development, up to the point where an insignificant line was built, which was not destined to fall into the capacious hands of the Canadian Pacific, but was the beginning of the longest, though not yet the most prosperous, system in the world—the Canadian National Railways.

The battle of Fort Whyte arose from the monopoly clause in the C.P.R. charter, and the wide and deep feeling that the C.P.R. was more an enemy than a friend of Manitoba; plus, of course, the prospective advantages which politicians saw in fomenting trouble. The monopoly clause prevented the building, by any other company, of branch lines south of the main line of the C.P.R. and within fifteen miles of the American boundary. The prohibition was held to be in the interests of Canadian solidarity. If the American lines which were pushing through Minnesota and North Dakota had free access to Canadian territory the Canadian road would be starved, and the basis of Dominion-wide prosperity, on which the Confederation was established, would be destroyed.

C.P.R. rates for hauling grain to Lake Superior were higher than they became later; but, in fairness, it should never have been forgotten that they were lower than rates on the Northern Pacific and Great Northern, in similar territory across the line. With crops uncertain and prices low—I have already told how the finest grade wheat of the 1887 crop sold for forty-eight and fifty cents a bushel

in the heart of Manitoba—the proportion of the farmers' total receipts that went for haulage to the head of the Lakes seemed high.

In the spring of 1887 the Norquay Government proposed to authorize a line from Winnipeg to the boundary to connect with the Northern Pacific. The C.P.R. denounced this as a breach of faith, and threatened to move its shops to Fort William if, as it said, it were treated as a public enemy. An Act was passed in June, by the Manitoba Legislature and was forthwith disallowed at Ottawa. Another Act was promptly passed, and the company chartered by the province began construction.

The Dominion Minister of Justice obtained a temporary injunction restraining both Government and company, the C.P.R. having already laid a spur across the path of the new line. Public temper became very hot, and Premier Norquay declared that the line would be built, "at the point of the bayonet if necessary".

In November the injunction was made permanent, but by that time there was no more money for construction, and the Norquay Government had gone the way of all its kind. An extremely brief life was the portion of a Government formed by Dr. Harrison, and the Greenway Government succeeded it early in 1888, with the vociferous lion of Portage la Prairie, the unique Joe Martin, as attorney-general.

All winter the racket about the anti-monopoly line continued. Greenway and Martin besieged Ottawa, and, undoubtedly, had a united province behind them. They raised vigorously the issue of provincial rights. Sir John Macdonald, not wanting to make a bad matter worse, induced the C.P.R. to waive its monopoly clause in consideration of certain financial guarantees, and promised to disallow no more Manitoba railway legislation.

All seemed set fair for railway expansion, especially from the point of view of Portage la Prairie, which had never ceased to cherish the hopes on which the Manitoba North Western had been built. At the beginning, you remember, an estate had been bought south of the C.P.R. and nearly two miles from where the North Western terminals were finally located, in expectation of an extension of the line some day to the boundary.

With our own member as attorney-general, and, as it was said, the strongest man in the Government, the swift clean-up of the crossing trouble that had been left by the Norquay Government, and the imminence of a general election which, it was expected, would cinch power for Greenway, made the time opportune for starting the long-desired railway from Portage to Winnipeg, to connect with the new line that was reaching the boundary from there.

The Portage line was to cross the C.P.R. track to Emerson at Headingly, a few miles out of Winnipeg. The consent of the Railway Committee of the Privy Council was necessary to any crossing of a Dominion railway. Permission to cross the C.P.R. was slow in coming. It was alleged that C.P.R. influence caused the delay. Grading

began on both sides of the C.P.R.; and, when permission did not arrive from Ottawa, the indignant Winnipeggers teamed rails, ties, and a diamond out to Headingly; and laid them during the night, eventualities being provided against, as it was thought, under the attorney-general's inspiration.

Two years before this, a former brakeman and superintendent of the Credit Valley Railway had been sent to Winnipeg as superintendent of the western lines of the C.P.R.—he became Sir William Whyte. In the morning, on discovery of the doings at Headingly, and on instructions from Van Horne, Mr. Whyte took a gang of men to tear up the diamond. The attorney-general had sworn in twenty special constables who were guarding the "jewel", as the diamond was called.

The defenders were in charge of ex-poundkeeper Cox. Whyte told him he would remove the diamond at any cost, though he was unwilling to use violence. Cox prepared to resist, but a punch in the eye from a warmly loyal C.P.R. navvy changed his mind.

The diamond was removed and hauled in triumph to the C.P.R. yards, and the battle of Fort Whyte was on, with General Whyte commanding his forces from his private car. An engine was ditched at the crossing, and Whyte stayed by, with two hundred and fifty men from the C.P.R. shops to see that the supporters of the Manitoba Government didn't move it. In his car were about twenty special constables.

Joe Martin and several high provincial officers were on the ground. He caused the provincial chief of police to inform Whyte that the appointments of his special police had been canceled. A handy magistrate swore them in again. More men were brought up by the provincial powers, and it seemed as if they would attempt to make the crossing afresh. Whyte attached a hose to his locomotive, which stood close to the ditched engine, and said he would turn live steam on any gang which tried to work against him. It was impossible for the provincialists to get up steam against such steam; and so closed a perfectly Martinesque day.

The double dare continued for five days of venomous but harmless hostility. Then Martin swore in a hundred and twenty constables and called out the military, under Colonel Villiers, who pitched their tents on the battlefield. A threat was made to lay the diamond further down the line, and Whyte built a fence, and kept his watchful forces waiting behind it.

A battalion of farmers appeared carrying sundry woodware. They talked of lynching "Smooth William", but retired, discerning that valour may be compounded with discretion. Whyte vowed that he would stay there as long as the crossing was unauthorized even if he had to tie up the C.P.R. from East to West to preserve its rights.

For a fortnight the armies faced each other, and then the C.P.R. tired of waiting on Ottawa, sought an injunction restraining the provincial road from trespass. The courts refused the injunction, Superintendent Whyte called off his engines, his cars and his men, and Fort Whyte went into the history of bloodless campaigns.

In the Van Horne biography the episode is called "as merry a game of bluff as he had ever known." That there wasn't a serious casualty list was due to the inherent good temper of men on both sides—perhaps most of all to the imperturbability of Mr. Whyte, who was on the whole, the West's most outstanding citizen for more than a quarter of a century, and who wasn't called "Smooth William" for nothing.

One could not count the ambitious railway schemes that were conceived or cradled in Winnipeg during the eighties and nineties; some born to blush unseen, some to waste their prospects on the prairie air, and some to suffer a dolorous existence till they were gathered to the boundless bosom of the C.P.R. Often enough, the poorer the outlook of an enterprise, the more grandiose was its name.

What is now a part of the Souris branch of the C.P.R., began as the Oregon and Transcontinental, and ended at the then forlorn station of Starbuck. The Great Northwest Central had a charter from Brandon to Battleford. It crawled for fifty miles northwestward and then stalled till the inevitable happened.

We heard repeatedly of projected lines in what, from the meridian of Winnipeg and the Portage, seemed the Never-Never Country, bounded by Prince Albert and Edmonton, four hundred miles apart on the North Saskatchewan. At last they

were built. Of the granting of one charter by the Dominion Parliament so far as one can recall, no definite information filtered through to the accounting department of the Manitoba North Western, though it was freighted with more of Canadian destiny than all the others put together. It was obtained by the Davis firm of contractors, and carried a land grant and authority to reach Hudson Bay—the charter of the Lake Manitoba Railway and Canal Company. It lay like a derelict upon a tideless shore, and appeared to have no chance of activity for years after the Never-Never country had been traversed by two sets of rails.

The Regina and Long Lake line was built from Regina to Prince Albert in 1889 and 1890 for a company whose moving power was the firm of Osler, Hammond and Nanton of Toronto and Winnipeg. The construction was across a virtually uninhabited stretch of two hundred and twenty miles between the Qu'Appelle River at Lumsden and the town of Prince Albert. Most of the track was put down during a summer at the end of which according to Joe Work who had charge of laying the rails, and later became chief track layer for the Canadian Northern, it was not safe to ride or drive a horse at night, because the cracks in the ground made by the drought were so wide that hoofs could be caught in them, legs broken and steeds destroyed.

Saskatoon, at the crossing of the South Saskatchewan river, was in the midst of what was often called "The Desert". Its main business came from

its being the station for Battleford, eighty miles away. Ten years after the line was laid there was only one homesteader between Saskatoon and the Qu'Appelle. The land grant was considered worthless—I believe it was written down optimistically by one presumed authority as being worth fifty cents an acre.

About the same time the Calgary and Edmonton was built, the steel reaching Red Deer the first season, and Strathcona, across the river from Edmonton, the next fall. The country passed through had more rainfall than the Regina-Prince Albert territory; but there were practically no settlers in it. Following this, track from Calgary to Fort MacLeod was laid, to procure Lethbridge coal, and later to the Kootenay where Dawson and Tyrrell in 1883 had proved that there were almost illimitable deposits of fuel.

That is where railway development in the West stood when I was removed to Winnipeg in 1893. Prices were lower than ever on the prairie. Wheat sold for 35 cents a bushel. Milch cows could be bought for less than thirty dollars. Eggs at eight cents a dozen, bought the farmer's wife no silks or satins.

For three years, while the North Western was hoping against hope that it would be able to stand ultimately on its own feet, and Mr. Nanton, the Sir Augustus of these more expansive years, was keeping an extremely watchful eye on all expenditures, I was doing my best for a small family. At night I was the first auditor of the Canadian Fire

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Insurance Company, the creation of R. T. Riley, who doesn't live as many anxious days now as he did then, and who was later to become a highly valued colleague on the National Railways' directorate. At night also, I was the first auditor of the Manitoba Gas and Electric Company, and the Winnipeg Electric Railway Company, which was controlled by the contractors who had built the lines to Prince Albert and Edmonton.

It was that auditorship and the neglected charter of the Lake Manitoba Railway and Canal Company which brought me to Toronto, ten years later, as third vice-president of the Canadian Northern, a railway which, though its name appears to be dead, will be alive, as railways live, I think, for evermore.

CHAPTER VIII.

Recording the first encounter of Mackenzie and Mann, with mules for a stake.

IT seems scarcely possible that the electric railway is only thirty years old. The marvel of Chicago, to a visitor less than thirty years ago, was the system of street cars moved by cables running between and beneath the rails. Winnipeg had a single track horse-car system, with passing sidings. It was the enterprise of Albert Austin, in these days president of the Consumers' Gas Company of Toronto. The city gave a franchise to the Winnipeg Electric Railway Company, the creation of Mr. James Ross, of Montreal, Mr. William Mackenzie, who had recently come into control of the Toronto railway situation, and Mr. D. D. Mann.

There was some confusion as to the Austin franchise's priority of right. Indeed, Mr. Austin contended that the electric franchise was erroneously given. At all events, the electric cars started to run on the streets before the horse cars were run off the streets. We enjoyed the spectacle of Dobbin competing against the harnessed lightning, and the experience of a cut-rate business in fares, the like of which was never before, and has never since been seen. Rides were three cents each, and fifty tickets were sold for a dollar. Business institu-

tions laid in stores of tickets, against the day when rates would rise. In the end, of course, the more modern method won out. The Winnipeg Electric Railway, which had its own difficulties, due to comparative scarcity of population, has come to earn a yearly revenue of over \$3,500,000.

Becoming the first auditor of the company brought me into contact with the president, Mr. Mackenzie, of Toronto, and led to a connection of twenty-six years with the phenomenal expansion of a railway system, which is now the main hope of prosperity for a national property. I had met Mr. Mann almost immediately after arriving at Portage la Prairie, in 1886. As there are some misapprehensions in the public mind about the earlier association of these remarkable men, perhaps it is as well to tell the authentic story.

As a western worker, Sir Donald Mann preceded Sir William Mackenzie by several years. He brought the first locomotive into Winnipeg on Christmas Eve, 1879, having come down the Red River during the previous summer. Sir William Mackenzie's first essay in Western development was in 1884, when he took contracts on the mountain section of the C.P.R.

It is a mistake to suppose that that was Mackenzie's first experience in railway construction. He had had a contract on the Victoria Railway, between Port Hope and Orillia, via Blackwater, now called the Midland section of the Canadian National System. That was one of the first great enterprises, outside his beloved insurance, in which

the late Senator Cox was heavily concerned as a financier. Mackenzie had taught school, and had done some building. He had also worked in the Lake Simcoe and Muskoka territory when it was furnishing Toronto with most of its lumber and fuel.

When the Mackenzie men, teams, and equipment began work in the region of Banff, where James Ross, the chief engineer of the Canadian Pacific, had charge of a construction then unexampled in Canada, they became known as "The Farmer Outfit", because their harness and get-up generally were more like the appurtenances of Ontario than the gear of truly Western operators.

Over twenty years afterwards, when a distinguished party was travelling to Edmonton for the inauguration of the province of Alberta, they drove from the end of Canadian Northern steel, several miles east of Vermilion, to the new capital. One of the guides over the unfamiliar trails was bridge builder Weller, who told the stranger he was driving that he was with Mackenzie on his first contract in the mountains. He was still the same Mackenzie, Weller said, though bigger business left him little time to fraternize with his old associates.

"There is no Sunday time to be killed in tents," he said, "by sitting around the stove on chilly nights and singing Sankey's hymns. Mr. Mackenzie was quite a singer in those days, but only on Sunday nights."

Far ahead of "The Farmer Outfit", in the vanguard of the graders, was another contractor—the

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same who had brought the engine across the Red River ice, and had been on the job as the C.P.R. was laid through Brandon, Regina and Calgary. Sir Donald Mann's reminiscences of a hard season's work include his first seeing of the governor-general, the Marquis of Lansdowne, and his first meeting with Sir William Mackenzie.

The viceroy was coming east from Victoria over the route to be taken by the C.P.R. The contractor met him on the trail that did duty for a road, and recognized him by his photograph. Since the war, dining with the marquis in London, Sir Donald was interested by his recalling that at the time of his trip across the Selkirks and Rockies, there were only 126,000 people between the Lake of the Woods and the Pacific Ocean.

Of the first contact between Mackenzie and Mann, Sir Donald's recollection is vivid:

"In the summer of 1884," he says, "we were having some trouble with our supplies at the head of construction. This was partly caused by the wish of those who had such matters in hand to compel us to buy from them. We wanted the advantage of buying direct from wholesalers and manufacturers, and hauling our own stuff from the end of steel to the front of grading. To do this teaming I had my agents farther east buy and ship a carload of mules. When we received word that they had arrived as far as the cars could bring them, I took a foreman named Dan Mahoney and two or three other men, and started out to fetch them. They were at the Summit—close to where the

Great Divide is marked now. The mules had been unloaded and were with another carload in a corral.

"Dan Mahoney and I were picking out what we believed to be our animals when a man with a long black beard turned up, and asked us what we were doing with the mules. I said we were getting ours from the lot. He said the mules were his, and we'd better not interfere with them. The argument livened up a good deal, and was getting warm, when Ross came along, and asked what the trouble was. We told him. He laughed and said we were both wrong and both right. A carload had come for each of us, but owing to some misunderstanding, it had been supposed that they belonged to the same party, and they had been turned into the corral together.

"Ross was never at a loss for a way out of a difficulty; and he undertook to settle this one, 'You'll pick teams, turn and turn about, and you,' he said, pointing to Mackenzie, 'will have first choice, and he,' pointing to me, 'will have the next two, and then one each.' That was perfectly fair, and the first difference of opinion between Mackenzie and me was over.

"While Mackenzie was choosing his first team Dan Mahoney took me aside and said: 'You let me pick them mules. I know them all, for I worked at the place they have come from. The best in the lot are them roans. This man won't guess that; but I know it. Don't take them in your first pick; and he won't take them for his second. Then we'll take

them; and you'll see they'll turn out to be the best of the bunch.'

"Sure enough, Mackenzie didn't pick the roans for his second choice, so that at least he didn't figure them as better than the fifth pair. We took them as our third choice; and they proved to be the best team of all, as Mahoney had said. Mackenzie and I have been in a good many arrangements together since then; but I don't think any of them gave me more genuine satisfaction than the one in which I took Dan Mahoney's advice."

Sometimes books of reference err. Men and Women of the Time" is nodding when it states that the Mackenzie-Mann partnership began in 1886. The slip is similar to another in connection with Sir Joseph Flavelle, of whom it is said mistakenly, that he was "long in the dry goods business in Lindsay, Ontario, with his brother, John D. Flavelle." In 1886 Mackenzie was building snow sheds in the Selkirks; and Mann was fulfilling a twenty-five-mile grading contract on the Manitoba North Western. It was while he was busy with this that I first saw him, in the office of my chief, W. A. Baker, at Portage la Prairie. At that time D. D. Mann was thirty-three years old, very big, and a bachelor; and I wondered who the heavy, slow-moving man was.

The Mackenzie-Mann partnership began in 1888, but it was part of a quartet, and not a duet. The other partners were the late James Ross and the present Sir Herbert Holt of Montreal. The firm took contracts on the Coboconk and Credit Valley

lines, and undertook the whole of the C.P.R. short line through Maine to St. John. The Regina and Long Lake, the Calgary and Edmonton, and the line from Calgary to Fort MacLeod followed, between 1889 and 1891. Then constructive energy in the West seemed exhausted. The railway contracting of Mackenzie and Mann entered a state of suspended animation.

There is a tradition among his friends that when Mackenzie saw the finish of these contracts in the West he made up his mind to retire on his competence, and devote himself to farming at his native Kirkfield, and to public service in Victoria county. Sir Sam Hughes used to tell, with as much relish as Sir Donald tells of the contest over the mules, how he beat Mackenzie for the Conservative nomination for Victoria and Haliburton in 1891.

But life's strenuous endeavour was not over for Sir William Mackenzie in his early forties. Unexpectedly he became connected with the modernization of the street railway in Toronto—the beginning of nearly thirty years of achievement such as has not been approached in Canada by any native son. From a commitment to an electric railway in Toronto to a similar enterprise in Winnipeg was a natural development of a genius for courageous initiation, the range of which I do not think he himself recognized at that time.

The ambition to construct and control a tránscontinental railway was the result of an evolution in two mentalities, working in a single partnership. Just when it was first consciously entertained perhaps neither Sir William nor Sir Donald was aware. Certainly, nothing of the kind was contemplated when their first venture as railway owners and operators, as distinct from contractors, was undertaken, and I came into it as the first operating officer.

The conditions affecting the nativity of the Canadian Northern were extensive and peculiar. Sutherland project of a railway from Winnipeg to Hudson Bay had halted at Oak Point, forty miles from Winnipeg, on the east shore of Lake Mani-But the idea of laying steel to the Bay was never abandoned; and the Dominion charter of the Lake Manitoba Railway and Canal Company gave the right to build to tidewater, via northwestern Manitoba, in 1889. The Manitoba Government was friendly to the scheme from the very practical point of view of providing facilities for farmers who, though they were in fine country, could not profitably market their excellent crops, some for reasons for which they had no responsibility, and some for reasons which, perhaps, they might have avoided. They could not flourish without railway transportation.

The main line of the Canadian Pacific came into Winnipeg from almost due north for twenty miles. Originally, it was to have passed through Selkirk, leaving ambitious Winnipeg as an important station on a branch to the American boundary. The line was built almost to the river, opposite Selkirk, and a round house was erected at Selkirk. Instead of going west through Portage la Prairie, it was

projected straight northwestward between Lakes Winnipeg and Manitoba, crossed Lake Manitoba at The Narrows, and continued northwesterly to the Swan River, where it turned southwesterly, till it was a few miles north of Fort Pelly.

Thence it took a due west route to the Elbow of the North Saskatchewan, near to where that river is now crossed by the Canadian Northern main line. Then, instead of crossing the river, the C.P.R. was to skirt the southern bank to Battleford, and strike the Saskatchewan again on its long north-westerly stretch, about twenty miles above Fort Edmonton, which is the Edmonton of to-day. A new Edmonton was to arise on the C.P.R. main line, about seventeen miles south of the present capital of Alberta.

This route was across sections of the prairie country marked on the Government map, printed in Sandford Fleming's great report of 1880, as having "soil of rich quality and pasture land more or less fertile." The map is the first in which, to quote from its superscription, "An attempt has been made to distinguish the general physical character of the country, on the routes followed by different explorers and scientific travelers." The map is one of the most interesting proofs of the wisdom with which the Canadian Northern lines in the West were planned; taking in, as they do, the territory first pre-empted by the Canadian Pacific main line, which was also commonly known as "The Fertile Belt".

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There was a second location of the C.P.R. main line, which was to leave Portage la Prairie eight miles to the south, and was to swing round the Riding Mountains, virtually on the route afterwards taken by the Manitoba North Western, and was to cross the Assiniboine a little below where Kamsack now is, and pick up the original location at Nut Hill, about twelve miles straight north of the present little station of Rama on the Canadian Northern main line, two hundred and forty miles from Winnipeg.

The Lake Manitoba Railway and Canal Company was chartered to enter this originally selected territory of the Canadian Pacific main line. Nervy farmers, knowing good country when they saw it, went into the district around Lake Dauphin, through which the C.P.R. was to come. Some stuck to their places, even after it seemed that hope of a railway in their time was vain. There were others, known as the judgment-proof settlers. They had fled from conditions which made it impossible for them to profit by their experience, and had come from hard times to harder.

The wonderful fertility of the Dauphin and Gilbert Plains country, and the abundance of wood within reach of everywhere made it an ideal farming territory. One is able to report that J. B. Tyrrell, whose Western surveys for the Dominion Government began in 1883, and have covered the country between the Kootenays and Dawson city, between Edmonton and Chesterfield Inlet, and from Fort Churchill to Winnipeg and included two sum-

mers in northwestern Manitoba, says that if he were choosing a farm location he would go to the Dauphin country. Apropos that preference, consider an illustration of how the sober truth of a scientific bluebook can be regarded as the fiction of a romancing propagandist.

Tyrrell's reports to the Geological Survey of his work in 1889 and 1890 make it clear that Lake Manitoba is the remainder of a much vaster inland sea, which was pretty deep-its shores were high in the present Riding and Duck Mountains. On the high water line are deposits of phosphatic shale, the product of immense accumulations of fish bones, Tyrrell believes. The leaching from these deposits to the plains below has made the farms in the Dauphin and Gilbert Plains districts so remarkably fertile that it was found undesirable to permit the land to lie fallow every third year as in most of the prairie country. Allow a Dauphin field an idle, clean summer and the following years the wheat crops will most likely be hopelessly lodged. It is therefore customary, in order to keep the land clean, to allow the weeds to get a good start in the spring, plow them in at the beginning of June, and take off a crop of barley so as to prevent the following season's wheat crop from choking itself into unprofitability.

One summer the Canadian Northern superintendent of publicity was taking a party of journalists from Winnipeg to Edmonton, and, as his custom was, he brought aboard the train, at different

points, local men who could tell about their district.

The National Editorial Association of the United States after leaving Dauphin were bidden to a testimony meeting in the forward coach of the special train. The publicity superintendent offered a few remarks on the quality of the landscape the party was viewing, and told of the phosphatic shale derived from fishbones deposited in the hills, perhaps five million years ago. He received some attenuated applause for this narration; but was not flattered later to learn that it was bestowed for the most colossal, most imaginative fish story that so seasoned a bunch of newspapermen had ever heard.

The connoisseurs of descriptive narrative were in the mood, though not the condition, of a distinguished visitor at the Quebec Garrison Club several years ago, who, having assiduously sampled the visions that come gaily through the rye, saw, as he was leaving, an enormous stuffed Lake St. John salmon on the wall, at the stair's foot. He gazed at it for a full minute and remarked:

"That's a d-d lie!"

Parliaments may authorize, but financiers may refuse to finance. Though the Lake Manitoba Railway and Canal charter, land grant and all, had been obtained by the Davis firm of contractors, they could induce nobody to furnish the money to build the line and possess the land. They tried to sell the charter, and in 1892 or 1893 D. D. Mann began negotiations to buy it. He took an option for a thousand dollars, and allowed it to expire. He renewed

the option for two thousand dollars, and that also ran out. He figured that, in the end, the rights could be acquired more advantageously by that form of attrition of attractiveness.

After nearly three years' negotiation, the charter at thirty-eight thousand dollars semed a good buy, and the prospect of financing construction pretty fair,—largely—because—two—factors in the situation were in a different case from what they had been when the idea of laying track into the Dauphin country began to be agreeable. The Manitoba Government was increasingly eager for better settlement in the Dauphin district, and the Northern Pacific had gone into a receivership.

I am not sure that we don't indirectly owe the National Railways to the incurable impetuosity of Joe Martin. As we have seen, he was attorney-general in the Greenway Government when it inherited the battle against the C.P.R. monopoly in 1888, and was the popular general of the battle of Fort Whyte. But he was not popular with his colleagues—very impetuous men seldom are. He resigned from the board of the Portage Electric Light and Power Company, at the height of an argument, and was surprised when he came to the next directors' meeting to hear from President Watson that the resignation had been accepted.

One evening he returned from Winnipeg to the Portage after telling Premier Greenway that he was through with his job. When he appeared at the office later to take up the broken threads of business, he found Mr. Attorney-General, Sifton working coolly at his desk.

Premier Greenway was a farmer, and not given to verbal rapiering. Otherwise, instead of allowing the fiery Joe to collide with a fait accompli, he might have emulated Lord North, who, when King George had at his request dismissed Charles James Fox not long before the signing of the American declaration of independence, wrote to Fox: "Sir,—His Majesty has thought proper to order a new Commission of the Treasury to be made out, in which I do not see your name."

Clifford Sifton was the subject of political prophecy from his first appearance in public life. He had come West from Middlesex as a boy of fourteen. His father had been Speaker of the Assembly. He chose Brandon as the first field for his legal talents, and quickly became solicitor of the town. As such he appeared at the private car of the Deputy Minister of the Interior, who was waited upon by the Town Council with a request for some improvement in their relationships with the great Department. The discussion fell naturally into the hands of the youngest man in the party, whom the deputy felt it his duty to snub somewhat obviously.

Some years later the deputy saw this young man hang up his hat in the Minister of the Interior's room in the Langevin Block. Unwritten history has it that the deputy found it expedient to become a full-fledged minister of the exterior after a reason-

able period of meditation had elapsed. On memory's tablets one does not read his name.

Twenty-seven years old, Clifford Sifton had come to Winnipeg as member for Brandon after the general election of 1888, which followed the Greenway Government's accession during the preceding winter: Even if he had had to be pushed into the attorney-generalship, he would have been the logical, indeed, the only, successor of the excessively mercurial Martin. It is not critical of the merits of his colleagues to remark that he was by far the ablest man in the Cabinet. As he was the first member of a Dominion Government who made an outstanding success of immigration—it is not difficult to recognize his hand in the Manitoba administration's efforts to secure immigration for the Dauphin country, out of which the Canadian Northern was evolved.

The retirement of the C.P.R. from Fort Whyte, and the abandonment of its monopolistic privilege, had brought the Northern Pacific into Manitoba, and promised, for a while, to give the province the railway expansion it was believed to need. The Northern Pacific, or its subsidiaries, obtained a charter that allowed it to go almost anywhere. It was understood that it would enter the country west of Lake Manitoba and north of Gladstone, thirty-six miles out from Portage. But the depression culminating in the panic of 1893—which caused six hundred banks in the United States to suspend, and of which a sequel was the march of Coxey's army of unemployed on Washington from

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Masillon, Ohio, in April, 1894—threw the Northern Pacific into a receivership; and there was no prospect of it building more lines in Manitoba, even with the Government's guarantee to pay the interest on its bonds for twenty years. It has always been understood that the inducement of interest guarantees originated within the Government. Some day, the story of its inception may be intimately told.

That, as far as I know, was the introduction to Canada of the practice of Governments guaranteeing bonds of railway enterprises, as distinct from cash and land subsidies and the cession of railways already built, but all-but financially derelict, as had happened in the case of the C.P.R. The arrangement with the Northern Pacific had broken down, but it pointed the way of advance to one shrewd man; and the former contractor of the North Western, the Regina and Long Lake, and the Calgary and Edmonton, saw in the situation enough encouragement to take the stalled Lake Manitoba Railway and Canal Company off the Davises' hands.

Mr. Mann went to his bankers for assistance. They told him the job was too big for a lone hand, and counselled that he secure the co-operation of his old asociates. It was that advice which brought a new orientation to the relationship between Mackenzie and Mann. There was an idea of asking the Manitoba Government for guarantees of principal and interest up to sixteen thousand dollars a

mile; but the bankers preferred that the contractors should obligate themselves.

They said, unanswerably, that Governments change in party and personnel; that the construction of a line in the Dauphin country was not an assuredly profitable undertaking; and that it was better, instead of relying too much on political fortune, that the builders of the line should be vitally concerned in its prosperity.

So, in the end, the guarantee was fixed at eight thousand dollars per mile, for a hundred and twenty-five miles, with freedom from interest liability for the company during two years after the completion of construction.

Under these terms with the Manitoba Government, in the spring of 1896, the Lake Manitoba Railway and Canal Company began construction from Gladstone, on the Manitoba North Western, thirty-six -miles from Portage, to Lake Winnipegosis. I was made the first superintendent of the infant, and on the fifteenth of December, 1896, we began operation, and issued our first time-table on January 1, 1897, a copy of which hangs in my office in the Dominion Bank Building, Toronto. It began for me, indeed, a long avoidance of calm repose.

CHAPTER IX.

Beginning the story of the Canadian Northern as a pioneer line with a staff of thirteen.

MERCIFUL Providence, which keeps us from seeing far ahead, gave to none of the men concerned in operating the first commercial train that ran upon what was to become the. Canadian Northern System, the faintest idea of what was ahead. We should have invited the Tempter to take a back seat, no doubt, if we had heard, on the fifteenth of December, 1896, when one of our two engines pulled out of Gladstone for. Dauphin on the rails of the Lake Manitoba Railway and Canal Company, that, ten years from that night we should be celebrating publicly the opening of a railway from Toronto to Parry Sound, and privately the taking over, while the speeches at the Board of Trade banquet in the King Edward, were being made, of two hundred and fifty miles of the Regina-Prince Albert line from the Canadian Pacific; that our total mileage would then be over -thirty-five hundred; and that, after another ten years, there would be in operation under our control nine thousand five hundred miles of railway.

But all that was in store; and, as I happened to be the only operating officer who was concerned in every phase of that extraordinary expansion, per-

haps my feeling should be rather like that of the oldest inhabitant, who imagines that the former times were better than these. But, as a matter of fact, though I am the senior of all the general officers who served the Canadian Northern Railways, I am not the real patriarch of the service. friends of mine, who were on the line before me, I want to pay high and sincere tribute—to Billy Walker, Philip Price James, (affectionately known as "Joe Beef") and Dad Risteen. "Joe Beef" is still on the job in Manitoba, as a locomotive engi-Dad Risteen was our first conductor, and is still taking up tickets between Winnipeg and Somerset. But Billy Walker died when these recollections were being printed.

I joined the Lake Manitoba Railway and Canal Company only a few days before unofficial operation began; so that I had nothing more to do with the construction than to oversee the accounts receivable by the North Western for hauling material to the new base of activity.

Construction opened in the preceding April. It is part of the railway game that during construction trains must be run, and a certain transportation business be done by the contractors, as soon as some track has been laid and ballasted into a fairly safe condition. Settlers who have suffered hardships because there was no railway, and who see rails, ties and camp supplies brought in, are like the newly rich lady showing the magnificent bathroom of her latest mansion to visitors, with whose admiration she agreed, saying, "Yes, isn't it lovely? Do

you know, sometimes when I come in here to look at it I can hardly wait till Saturday night."

So, during the building season Billy Walker was engineer and Dad Risteen the conductor of construction trains. Both had come from the C.P.R., where they were known as absolutely competent men. A proper appreciation of the values of the trade unions which have wrought certain revolutions in railway practice does not make one forget that there was a certain advantage in running a pioneer road with helpers who were blessed with the pioneer spirit, as Billy, and Joe, and Dad most excellently were.

The time table over my desk shows we operated one mixed train each way twice a week. We had running rights over the Manitoba North Western from Portage to Gladstone. The first winter, though the road was graded and rails were laid from Gladstone to Sifton, sixteen miles beyond Dauphin, we only operated beyond Dauphin once a week. To Dauphin we ran 100 miles, over our own track, and 36 miles over the North Western.

Sifton, by the way, was not named after Sir Clifford Sifton, but his uncle, who derived salt from the springs near Lake Winnipegosis, which had partially supplied the population long before a steam whistle disturbed the prairies' peace.

"Service" was our motto. We had more stopping places to the ten miles, I think, than any railway in the world. Only a few of them were on the time table. Over most of the route, where settlement was beginning, we put down and took up passen-

gers and way freight to suit our patrons' pleasure. For seventy-two miles, between Plumas and Dauphin, we hadn't a telegraph station.

It wasn't of us, but it might have been, that this story was told: Certain passengers of a railway through ill-settled bush country observed the train stop at Nowhere, and saw a woman come from a cabin in a clearing and speak to the conductor. She returned to the cabin, and the train stood so long that an explanation was sought from the conductor.

"Oh," he said, "that's all right. This lady goes to market every Saturday with us, to sell her eggs. This morning she's one short of two dozen. We're waiting because one of the hens is on."

Our time for the one hundred and twenty miles from Portage to Dauphin with a mixed train, was six and a half hours. Though punctuality was occasionally more of an ambition than an achievement, we kept good time on the whole; thanks to the driving of Billy Walker and the wholesouled devotion to business of Dad Risteen. We didn't have an express service of our own, except so far as everything was express. But each train had a couple of brakemen, and Dad made it his business to know all about all the way freight that had to be unloaded at each stop; and he would hang in and help his brakemen unload.

The two nights a week on which the train came into Dauphin saw a big crowd in waiting at the station. Sometimes immigrants received a too flattering impression of the importance attached to their arrival.

The superintendent almost lived on the line in those days, and sometimes he helped in handling traffic. Dad Risteen, after he had taken up his tickets, and pored over the way bills, would come into the second of our complete passenger equipment of two second-hand coaches, and say, his face beaming like a rising sun, "Mr. Hanna, we're having a good day to-day. She's carrying five hundred and forty-three dollars."

Across more than a quarter of a century I take off my hat to Dad Risteen, for as whole-hearted, diligent, able and enthusiastic a fellow-worker as ever railway chief had.

The same is true of the engineers. Billy Walker drove the engine, and "Joe Beef" hostlered it in the little frame roundhouse across the Vermilion river at Dauphin, until there was work for him also on the road.

In those far-off days the system of running engines in chain gangs had not come in—treating throbbing ironhorses as if they were mere electric cars, to be driven by any man who comes next on a list. During waits on the road Billy fussed with his engine as if she were a child, and in the roundhouse Joe was blithe as a lark, cleaning up and banking the fires on Monday and Friday nights, ready for the return trip to the Portage next day.

The Canadian Northern era of expansion required us to find names for about six hundred towns, and about as many shipping points. Dauphin has always ranked as premier among the first-born of these communities. The name, of course, comes

from the lake near by, which was so called by the earliest French explorers. The first trading post was built near the lake, it is believed by one of Verendrye's sons.

The present town was started in a wheat field. It has always had a fine class of citizens: The relations between the railway superintendent and the townsfolk were more intimate than was possible when the terminus of a new enterprise had become a division point for a multiplying east-and-west traffic, and had grown from a few dozen to several thousand inhabitants.

The feeling on both sides was of the friendliest goodwill. One recalls, with unaffected pleasure, a kindly and too appreciative article in the Dauphin press, I think in the second year of our service, which said of the superintendent, "Who knows that some day he won't be rushing through Dauphin in a private car."

The Dauphineers were of that blest portion in the nation which lives and learns. One recollection of their capacity in that way is a bright and shining example of how deputations to railway officers may discover that all the wisdom doesn't invariably reside with those who feel bound to make complaints.

Fundamentally the Lake Manitoba was a colonization road. During the first summer of its construction the general election brought the Laurier Government to power. A month before we began regular service Attorney-General Sifton of Manitoba became Minister of the Interior, and responsible for immigration. In 1897 the work was done

which resulted in the first considerable settlement of Galicians in the prairie country—they came into the territory northwesterly of Lake Manitoba.

Except the settlements of Mennonites between Winnipeg and the boundary, Manitoba had been almost entirely settled by Ontario and Old Country people, with the French-speaking Canadians numerous around St. Boniface, and in the Provencher district, east of Winnipeg. The advent of large numbers of people from southeast Europe was viewed with alarm by many excellent citizens; and there was much grumbling among the elect as the Galicians hove in sight.

I accompanied the first party which was destinated for Dauphin. They camped outside the town—not a very fashionable looking crowd, it is true. The women with handkerchiefs over their heads, their footwear made entirely for enduring ease, and their waistlines uncontrolled, deceived some onlookers as to their suitability for rearing Canadian citizens.

Pretty soon a deputation of townsmen waited upon Superintendent Hanna, with strong, straight intimation that by this unsolicited invasion a grave error in judgment had been committed, and a menace to the peace, order and good government of the realm introduced among a people who deserved a better fate. This threatened tide must be rolled back. And so on and so forth.

Superintendent Hanna reasoned with the deputation as well as he could, pointing out that these people had been attached to the soil for centuries; that they were accustomed to work, and not afraid of it; that their poverty was the best incentive to them to make good in a land where they would be free from some of the afflictions of their former country—compulsory military service, for instance.

The deputation went away as little satisfied with the prospects of this intrusion as they were when they came. The superintendent turned to more customary duties.

A couple of hours later the chiefs of the deputation returned to retract their objections to the Galicians. From shirts, and from stockings above-the unfeminine-looking footgear, there had been brought forth enough cash to buy two thousand dollars' worth of supplies from Dauphin merchants; and faith and charity had begun to work up to lively hope among the stores that this was a mere shadow of things to come. The might of economics in social life never received a more vivid vindication than was furnished the superintendent on that day.

In case it should not be convenient to recur to this question of the settlement of non-English-speaking farmers in the West, let me go back upon and ahead of my story. In the Saltcoats region of the Manitoba North Western a farm instructor for British newcomers was appointed in the person of Tom MacNutt, an old Ontarion who has been Speaker of the Legislature at Regina, and M.P. and chairman of the Liberal caucus at Ottawa. During the Sifton immigration regime Galicians were planted in MacNutt's constituency of Saltcoats,

where, in 1911, ten thousand non-English-speaking natives of Europe were living, of whom about half were from Austria-Hungary. He tells how a Scotchman became a leading champion in the press of the exclusion of these "undesirable" foreigners.

Among the MacNutt civic functions was that of coroner. He was obliged to hold an inquest on a Galician boy, accidentally killed. Driving to the farm with a doctor he asked what arrangements had been made for an interpreter, and was told that Mrs. Wilson would translate the evidence.

Mrs. Wilson proved to be a perfect interpreter, and as pretty as she was efficient. The coroner, seeing the ease with which she took in all that was said by the witnesses, remarked to himself that she must have been a school teacher, and wonderfully quick to pick up so much Galician, while she was teaching a little English. Afterwards Mrs. Wilson told the coroner that she was herself a Galician, and introduced him to her husband—the Scotchman who had tried to dam the Galician tide.

The Canadianization of these people is a question into which one must not be tempted to stray. Having so largely entered into their labours we owe it to ourselves, at least, to understand something of what their contribution to the West, and therefore to the East, has been. They arrived with very little but the will to work, and the ability in handicraftsmanship which is shown in their buildings, and the excellence of their gardens and farms. The women remained on the homesteads, tending the cows and hens and doing what they could in heavier

work, while the men earned money in railway construction gangs, with which to buy cattle and gear. We had them for year after year, beginning with the line between Dauphin and Swan river. Without them the settlement of many of the best sections of the West would have been retarded.

Their names were no doubt written accurately in the payrolls; but pronunciation of them was not easy to engineers who had received only a Toronto University education. To save time and prevent complications each man was given a number. When the Galician constructionist presented himself at the paymaster's tent, he was required to say, besides his number, the name of the boss he worked under-not always an easy thing, for even our names are not all as simple as our characters. For all the Canadian Northern life, our chief tracklayer was Joe Work-truly a prince at his job. His only blemish was an absent eye. It often happened that when a Galician came for his pay and was asked for whom he worked he would shut an eye, and smile.

While we were doing our best to develop the Dauphin country, during the first year of operation, the line was extended to Winnipegosis. We had no access to Winnipeg; but this did not prevent our proprietors from buying the charter for a railway east of Winnipeg—the Manitoba and South Eastern. Once more, I think, there was no clear conception of the extensions that were to follow. But there was the urge to the place whence they go down to the sea in ships. At the end of our second

season—1898—we opened the first section of the line to Lake Superior—forty-five miles from St. Boniface to Marchand, in the bush, west of the Lake of the Woods, the first time table of which, typewritten for economy's sake, also hangs in my Toronto office.

At the beginning of my connection with the line, I continued on duty for a time with the North Western, and made my headquarters once more at the Portage, though my family remained in Winnipeg. But, at the end of 1898, with one line west of Lake Manitoba, and another going east to the Lake of the Woods, I became more or less of a shuttle—and have been shuttling ever since across a loom of steel, which never seems to have decided how wide a fabric it would evolve.

As the nineteenth century was dying cordwood was still a considerable aid to Winnipeg comfort; and the rather swampy Marchand region its most convenient source of supply. Our eastern line was started as a cordwood carrier—and more. We set up a woodyard and sold scores of trainloads of tamarac, poplar and jack pine—ninety per cent. of our traffic. Our terminal was at St. Boniface; so that, literally we were at the gate of good things—this institution that looked so feeble, and was indeed feeble in body, whatever its daring was in mind. We were able to place our cars in the Winnipeg C.P.R. yards. The C.P.R. was kind to us, as the mighty knows how to be to the meagre.

We had begun with two engines, fifty new freight cars, made by the Crossens, of Coburg, two sec-

ond-hand passenger cars, bought from the Rathbuns, of Deseronto, and an uncertain number of flat cars, which had been used on construction. We had to buy more second-hand equipment for the eastward adventure, but, as to flat cars for the cordwood, our conductor, Percival, had a brave habit of borrowing such as he could collect, in the C.P.R. yards, without asking anybody's leave.

"The late Sir William Whyte frequently laughed with us over this manifestation of Percival's trust, in the C.P.R., which Sir William used to observe from his window in the old station overlooking the yards. The Muskeg Limited, as our train became known, had its own place in Winnipeg transportation, and its name ought not to be forgotten.

On the whole, then, it can be said that as a company of railway adventurers, we were the lineal successors of The Farmer Outfit, which Mackenzie took into the Rockies in 1884. But we had avoided some mistakes, which others, later, failed to avoid; and we had some results to show, of which it is pertinent, now to speak.

The mistake avoided was the common one of acting as if fine shows made fine roads. Mackenzie and Mann had been through a mill which was addicted to grinding exceeding small. They both came from pioneer farms. Their railroading experience began with the rough and tumble of construction camps, and frequent reliance on bannock and sowbelly. They never supposed that office furniture could offset a lack of revenue. They started pioneer roads like pioneer roads.

Though their first superintendent had tasted of the London administration of the Grand Trunk, and had filled a chair in the head office of the New York Central, he had also seen the prolonged effects of too much optimism at Portage la Prairie, had lived through three years of a branch line's receivership, and had never forgotten the early days in Scotland, when the office equipment of a frugal management included chairs made out of barrels, and a couple of doorknobs functioning as very efficient inkwells.

From time to time one has heard the scoffer in the land and on the train—sometimes when using a pass—comparing Canadian Northern infancy with Canadian Pacific maturity and Grand Trunk Pacific magnificence. It was met silently by the reflection that cutting your coat according to your cloth is often a financially hygienic science—it was with us twenty-five years ago.

The result? I have said that the bargain with the Manitoba Government provided that we need not pay interest on the guaranteed bonds for three years. But by hewing to the pioneering line, and with men like Billy Walker, "Joe Beef" and Dad Risteen, we paid our fixed charges out of revenue from the start. The first year's earnings were sixty thousand dollars. The staff, superintendent and all, totalled thirteen, until it was deemed expedient to touch a less ominous figure by engaging a boy.

The original office force, the father of the accounting staff of the Canadian Northern, was Cecil

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Friend, taken from his post as secretary to Robert Kerr, western passenger traffic manager of the C.P.R. He is a man to whom all who have ever worked with him, are devoted. When we became a transcontinental system he was moved from Winnipeg to Toronto, and is now at the Montreal head-quarters. While we were colleagues he saw his jurisdiction extend from himself as sole accountant, to a staff of over four hundred people exclusively engaged in his department, and receipts grow from sixty thousand to sixty-seven million dollars a year.

If an example of the constancy with which all hands kept at the job of keeping down expenses and putting up revenues be appropriate, I may be forgiven for repeating what happened one summer day. There was an unavoidable accident, a little north of Plumas-a heifer was caught by the cow catcher, and her legs broken. The superintendent happened to be on the train, also a brakeman who had been a butcher. The heifer was useless to the farmer, except as beef, for which his claim on the company would make a low allowance. The train was halted while the brakeman-butcher killed and dressed the heifer, the passengers surrounding the operation. The carcass and hide were put in the baggage car; the carcass was sold to the contractor, whose construction camp was west of Dauphin, the hide was turned into the ordinary channels of trade: the farmer's claim was paid in full from the receipts for meat and hide, and four dollars were carried into the treasury.

HOW MAIN LINES EVOLVED

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In a way, the turn of the century was the most fateful pass in Canadian Northern history, for it brought into the obvious the fact that a new system of railways was coming into existence, as distinct from several apparently disconnected, and almost aimless branches, headed for nowhere in particular.

The last year of the nineteenth century carried us to Erwood, seven miles beyond the Manitoba boundary, into what was still the North West Territories, and a few miles east of where the line to the Pas and Hudson Bay branches off. The name, by the way, gives a modified immortality to E. R. Wood, the Toronto financial and Y.M.C.A. leader. Theretofore the intention had been to make the road to Prince Albert, through the Swan River and Carrot River valleys, the main line to Edmonton. As a concomitant to this expansion it is worth noting that the implement manufacturers moved their credit frontiers a hundred miles north about this time.

In 1900, then, the main line turned west from Dauphin through Gilbert Plains, a marvellously attractive locality for the farmer; and twenty-six miles, to Grandview, were built. The eastbound line from Winnipeg had sixty-five miles added to it. In April the eighty-seven miles that had ventured out of Port Arthur towards Duluth as far as Gunflint, were bought. The Port Arthur, Duluth and Western, of official documents, had become known to the public as The Poverty, Agony, Distress and Want Railway. Its acquisition immediately changed the character of our eastern section,

for it became part of a main line, which was being extended to meet the original Manitoba and South Eastern and the Muskeg Limited. A month previously the Canadian Northern Company came into existence, to control and develop what had thus far been accomplished.

The C.P.R. monopoly had been broken by the Northern Pacific, but the new development had halted when the Northern Pacific fell on evil days, and was still awaiting the rejuvenating advent of J. J. Hill. Still, lines running to Winnipeg from the boundary, to Portage from Winnipeg, to Brandon from Morris, in southern Manitoba, a fifty-mile stretch to Hartney, and a couple of offshoots from Portage, had been built caltogether 350 miles.

There were rumours that the Northern Pacific would get out of Western Canada, and the busy tongue of speculation began to predict that these two fellows, Mackenzie and Mann, who knew how to catch on, but did not know how to let go, would soon have some new stunt to show the West. The guess was justified; for the first year of the twentieth century saw the Northern Pacific retire in favour of the Canadian Northern, which was fully launched on the high road to an expansion without parallel in the history of transportation.

The C.P.R. was not alarmed, but it was very observant. There was a world of difference between being kind to a few branch lines that were as much feeders of the C.P.R. as if they belonged to it, and welcoming a challenge to its supremacy of transportation to and from the head of the Great Lakes.

CHAPTER X.

Describing meetings of a traffic manager with Sioux Indians and sudden millionaires.

IT is a curious truth that the only considerable railway retreat from Canada by United States interests was made by J. J. Hill, one of the syndicate which brought the C.P.R. to fruition. He was a pioneer in Red River navigation which Eastern Canadians, bound for Fort Garry, used in summer. His association with Donald Smith and George Stephen, future members of the House of Lords, transformed a little Minnesota line from the derelict property of Dutch bondholders into the Great Northern and opened the way to a Canadian farm boy's control of American railways without parallel before his time.

Hill retired from the C.P.R. when it was determined to build the Superior section from Sudbury to Port Arthur, nominally because he feared the ability of the C.P.R. to support itself through so much wilderness, but really because it would prevent his own roads carrying the through traffic between Eastern and Western Canada, from Sault Ste. Marie to Winnipeg, for which connection the C.P.R. line to the Soo, through Sudbury, had been built.

The Northern Pacific receivership finally threw that system into Hill's control. Grain rates to Duluth from Minnesota and North Dakota were still higher than they were from Manitoba to Fort William. The extension of traffic in Canada therefore, would tempt the American farmer to demand, in his own territory, as favourable a treatment as his Canadian competitor received on his own soil.

The possibility of the Northern Pacific lines in Manitoba becoming part of a Canadian system was enlarged by a change of Government in Winnipeg. With its best brain, and chief driving force transferred to the Interior Department at Ottawa, the Greenway administration fell into a slough of complacent reliance for continuing power upon what it had done to deprive the C.P.R. of its detested monopoly, and to facilitate settlement of the empty, fertile north-western quarter of the province.

The general election at the end of 1899 destroyed the Greenway Government. On the morning after the polling I happened to meet the Premier on the train. He was frank enough to attribute the defeat to excessive cocksureness. Later, he was sent to Ottawa, where he was a useful, though not a brilliant, commoner alongside his former attorney-general, Mr. Sifton, who was the federal general for the Liberal party all through the West, for the elections of 1896, 1900, 1904 and 1908.

Sir John Macdonald's son, Hugh John, who had joined the Tupper Government in 1896 as Minister of the Interior, and was practising law in Win-

nipeg, became Premier in January, 1900; passed a prohibition bill, which was disallowed at Ottawa, resigned the premiership to oppose Sifton in Brandon later in the year, and was succeeded by R. P. Roblin, who had left Prince Edward county twenty years before, and was farming near Carman.

In 1900 Mr. Mann, as Sir Donald Mann recalls the episode, while passing through St. Paul on the way to Toronto, called upon his old friend Mr. Hill, and incidentally enquired whether the Northern Pacific would sell its Manitoba lines to the Canadian Northern. Incidentally, also, Mr. Hill replied with an axiom of railway practice: "No railway ever sells branch lines to another railway." But, he remarked, in further incidental conversation, a railway might sell branch lines to a Government.

Nothing more was said upon the subject at that time. But next morning, instead of being in Chicago, Mr. Mann was in Winnipeg, enquiring of Premier Roblin whether his Government would consider buying the Northern Pacific lines in Manitoba, and turning them over, later, to the Canadian Northern.

There was nothing disagreeable to the successors of the victors at Fort Whyte in the idea of a transaction which promised that the C.P.R. would at last meet real competition from southern, central and northern Manitoba to Lake Superior. But the Roblin Government was young, and required time to think. It was finally decided that if the lines

were procured it must be without an undertaking to deliver them to any third party.

So it came about that, in the session of 1901 the Manitoba Legislature passed an Act which transmogrified the Northern Pacific Manitoba feeders into Canadian Northern lines. In less than five years from Billy Walker getting his first highball (no connection with whiskey) from Dad Risteen, chief and sole conductor of the Lake Manitoba Railway and Canal Company, we were hauling wheat from Swan River and Grand View, and from Brandon and Hartney, over our own lines into our own terminals at Winnipeg, and to Emerson, whence the Northern Pacific carried it to Duluth.

We could not deliver wheat to Port Arthur in 1901, but we did take part of that year's crop over our own lines to that port, for on January 1st, 1902, connection was completed at Bear Pass, a few miles east of Rainy Lake, and Manitoba had a juncture with Eastern Canada independent of the C.P.R. If the C.P.R. could have prevented it, Port Arthur never would have renewed its youth through the advent of the Canadian Northern. A fight was on, which never sacrificed official and personal courtesies, and never relaxed the vigilance of the senior, or restricted the pertinacity of the junior road.

The Canadian Northern, with a thousand miles of track through the best sections of Manitoba, and with immigration beginning to reach the West in a volume not approached since the feverish period of the foolish land boom, had passed almost unob-

served by the public, from a local to an interprovincial proposition as to territory; and to an international factor as to finance.

Lloyd George, when he was merely the little Welsh attorney and had been the pro-Boer of the irresistible tongue, and was certain of an unwelcome inclusion in the next Liberal Cabinet, became accustomed to hearing his friends discuss the probabilities of his party leadership, some time. He comes from the Snowdon country, and knows the ascents to that highest peak in England and Wales, particularly the ridge near the summit which over there is called the Saddleback, but on this continent would be named the Razorback. He was not blind to the possibility of eminence which fascinated his friends, but used to say to them, "Oh, I don't know; I haven't crossed the Saddleback yet."

The Canadian Northern Saddleback was the old Dawson route between Rainy River and the Kaministiquia. To cross it was a feat which was all the more dramatic for its having to be performed in the London money market against extraordinary endeavours to make of the feat a fatality.

What the C.P.R. regarded as a too daring invasion of its fiscal domain synchronized with an abstraction from its western force of our first general traffic officer, with duties entirely in the dual revenue department. Additions to mileage were coming like triplets and twins, and there was plenty to keep the superintendent busy in enlarging staff and equipment, and in general management. Somebody with thorough knowledge of traffic conditions

and intimate experience of the West was required. We found him in George H. Shaw, assistant general freight agent of the C.P.R. Mr. Shaw and I remained colleagues for-seventeen years, when he took his ease on a retiring allowance, the just criticism of which is that it might have been more commensurate with the extreme value of his service.

It has been suggested before in these drafts on memory that things regarded as being entirely matter-of-course appear in their true perspective only when the mellowing hand of age rests upon them. You see men working at their appointed job, and the job seems all there is about them. But in the West, until yesterday, when you met a man up to the ears in prosaic detail, you never knew with what romantic aspect of the pre-historic age he was a living link. My old colleague is one of these; as any, who are lucky enough to go round the Mississauga course with him—for he has played himself into a second coltage—and can start him on a trail of reminiscence, will discover.

George Shaw comes of a political family established in the county of Lanark during the building of the Rideau Canal, as a military expedient against possible unpleasant sequelæ to the war of 1812. His grandfather sat in the Parliament of the province of Upper Canada, twenty years before Confederation. His father was a keen politician at Smith's Falls; and would have had his boys maintain the family tradition. He tells a political and a railway story about a farmer at Merrick-

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ville, whom we will call McWhilt. Young Shaw was made a scrutineer for an election. In Lanark every vote was as identifiable as its caster, and the scrutineer checked off the lists furnished him as the electors declared their preference—the ballot had not yet been adopted. Shaw senior came in late in the afternoon, looked over the polling record, and found that McWhilt had not voted.

"Send for him," was the order: "He's promised to vote for Haggart."

McWhilt was sent for and voted for Gould, the Liberal.

When Shaw, senior, heard the news he was too astounded to say more than "I'll make him pay that note to-morrow."

One snowy night the engineer of a train between Merrickville and Smith's Falls thought he bumped something at a crossing; but saw nothing to make him stop the train. Arrived at Smith's Falls he looked around for signs of an accident, and found them. On the cowcatcher was the box of a bobsleigh, with McWhilt fast asleep in it, so much repose may conviviality induce.

At eighteen years of age, with the profession of civil engineer as his objective, George Shaw was appointed to a party that was to survey Indian reserves in Rupert's Land. Chicago and St. Paul furnished the way in; and the steamer International down the Red, from several miles north of Grand Forks, completed the last stage to Winnipeg.

Shaw was one of a small proportion of first-class passengers. The berth was of child-like dimen-

sions. For washroom in the morning he was directed to the bow, where stood a bowl, stool, with a bucket and rope alongside. The passenger let down his bucket into the river, drew all the turbid water his fastidiousness could use, and made the best of a towel which had once been laundered.

It was a fitting prelude to a Western career which was to have a great traffic-bearing intimacy with the whole of the empty sub-continent which the boy surveyor was to see—an era of transformation unexampled in Britannic history.

The time was eight years after Riel was the President of the Provisional Government of Rupert's Land, with a Council and Cabinet, and the future Lord Strathcona had helped a Convention to draw up a Bill of Rights for a Government which was heralded by the Fort Garry paper, the New Nation, with an editorial as redolent of revolution as anything that these latter times have produced. As a curiosity in Western political literature it is worth giving:

"The confirmation of Louis Riel as President of the Provisional Government of Rupert's Land by the Convention was announced mid salvos of artillery from the Fort and cheers from the delegates. The town welcomed the announcement by a grand display of fireworks, and the general and continued discharge of small arms. The firing and cheering were prolonged into the night, every one joining in the general enthusiasm, as the result of the amicable union of all parties on one common platform. A general amnesty to political prisoners

will shortly be proclaimed, and the soldiers remanded to their homes to await orders, and everything will be placed on a peace footing. Vive la Republique!"

This phase of the second republic set up in Manitoba within two years was not as remote in men's memories when Shaw reached Winnipeg as the opening of the Great War is in ours. It was part of a situation in which the Indian was still an uncertain, indeed a threatening ingredient. The surveying of the Indian reserves, hundreds of miles northwest of the Red River, where the posts of a few fur traders had afforded the only semblance of modern law and government, until the arrival of Governor Laird at Battleford, in 1876 to inhabit the quarters built by Hugh Sutherland, was the first long step toward the agriculture which has made Saskatchewan the greatest wheat growing province of the British empire. One of the Saskatchewan farmer organizations owns and operates about three hundred and fifty elevators at as many shipping points, and has increased the capacity of its own elevator at Port Arthur-eight hundred miles from the centre of the province—to seven and a half million bushels, and has acquired the old Canadian Northern elevator, with a capacity of seven million bushels more.

Shaw went to Battleford, the infant capital of the North West Territories, with the party that was in charge of George Simpson. It travelled by Red River train of tireless carts. The surveyors and their camping entourage walked beside their vehicles the whole of the six hundred and fifty miles to Battleford. The route was via Portage la Prairie, Fort Ellice, where the Qu'Appelle joins the Assiniboine; the Touchwood Hills, Humboldt (where a Canadian Northern division point was established within twenty-five years), and Batoche, where the South Saskatchewan was passed at Gabriel Dumont's Crossing.

Every white man in the country could tell of fights and reurders laid to barbarian account. Sixteen years previously fifteen hundred settlers had been butchered in Minnesota by the Sioux. During the spring of 1876—two years before—Custer's force of eleven hundred men had been wiped out by the Sioux, in Montana. Bands of Sioux had come into the Canadian territory, and had always said they had no quarrel with the children of the Great White Mother. Some had settled near Portage la Prairie, and had behaved very well, on the whole.

When exterminations were so recent, and relatively so near, travellers into the Great Lone Land didn't feel as safe as if they were in Montreal. There had been one rebellion of Metis at Fort Garry; and Riel and Gabriel Dumont, who ferried the Simpson party across the river a few miles from the present Rosthern, were yet to head a second revolt.

A prophet would have been called a fool if, as the surveyors trailed across the site of the present Rosthern, and the land where the world's champion wheat has been grown by Segar Wheeler, he had said the elevators there would supply the youngest member of the party with waybills representing over a million bushels of wheat exported in a single season.

During the surveying of Red Pheasant's reserve, south of Battleford, which is now crossed by the Grand Trunk Pacific branch from Naseby to the old town of Battleford, Shaw was out alone when he saw an Indian on a hill, and flashes of sunlight proceeding from his hand. After a while the Indian was joined by thirteen others, mounted, who brought his horse with them. They were the advance guard of a remarkable company of Sioux, who were visiting as far north from their own Montana, to estimate the prospects of continued happiness in the ancient, unfrontiered hunting grounds. They were not looking for buffalo, for not many were then left on the Canadian prairies, partly because of the reckless slaughter that had gone on everywhere, and partly because Sitting Bull was herding survivors below parallel forty-nine.

The touring Sioux were of the ten thousand who had destroyed Custer's army two years before, and were using their share of the plunder. The scout's flash was from a heliograph, and was no doubt informing those who later came up that a lone Paleface was on the rolling plain. The couple of hundred Sioux—who presently camped near Red Pheasant—had United States army wagons, tents, rifles, ammunition—everything that civilization could usefully furnish for such a country. They were a much finer race, physically, than the Crees who were about to be allocated to reserves.

The Sioux visitation had some influence on a situation which carried much anxiety to Governor Laird, as well as a very real danger to all the whites in that part of the country, and also to the whole future of Western Canada.

The half dozen reserves around Battleford having been delimited, the Simpson party started for Edmonton, by way of Frog Lake and Fort Pitt—Frog Lake where nine people were massacred during the second Riel rebellion, still seven years in the future; and Fort Pitt, which, at that perilous time, was precipitately evacuated by Inspector Dickens, son of the novelist. At Fort Pitt the party was ordered back to Battleford. On September 17th a general election had put Sir John Macdonald again in power, and some wise person in Ottawa assumed that favour depended on halting a company of chainmen two thousand miles from the nearest Canadian railway station.

With the rest of the party Shaw spent the winter of 1878-9 at Battleford. It was a winter free from dull care—cold but gay; simple in its furnishings, but abounding in social diversions. Reports came in, though, that it was a winter of want for the Indians, and that trouble might be looked for in the spring, unless a miracle happened to their food supply.

From time immemorial the Indian had been accustomed to an abundance of buffalo meat, limited only by his ability to slaughter it. Sitting Bull's herding of the buffalo in Montana brought great privation to the Crees and Blackfeet. In the spring

of 1879 they assembled at Battleford, demanding assistance from the Canadian Government.

Shaw saw five thousand of these tented seekers after charity camped around the tiny capital. The barracks were on the narrow tongue of land just above where the Battle empties into the mighty Saskatchewan. The town was on the south side of the smaller river—a poor little collection of buildings which the Indians could have destroyed with no more trouble than is involved in firing dry wooden structures anywhere.

Governor Laird, the tall thin Prince Edward Islander, who had come from Charlottetown journalism into politics, was a negotiator for the entry of the island into Confederation, became the Minister of the Interior in the Mackenzie Government, and had received the first governorship of the North West Territories in the same year that Laurier was first appointed a Minister of the Crown, was very well fitted for a post requiring many diplomatic qualities.

Next to his extreme height his most memorable physical characteristic was his long hair; the fashion of which he had abbreviated long before his last special tour of the West, when he was a venerable and honoured sharer in the celebration of the creation of the provinces of Alberta and Saskatchewan at the beginning of September, 1905.

The feeding of five thousand Indians was an imperative duty of Governor Lairdeas long as there was anything to feed them with. He had no authority to commandeer provisions from the Hud-

son's Bay Company, on Indian account. But the Company had heavy stores of pemmican in their warehouse, and Laird drew upon them, while he was trying to secure the necessary powers from Ottawa. The Indians demanded treaty guarantees against their extinction by starvation.

Their attitude was discomforting. They knew what had been done to Custer only three years before. They had seen, and knew the source of the rich equipment of the Sioux, who had visited them the previous summer. For many years there had been an obviously increasing threat of the submergence of their own autonomy and self-respect by white men whose far-distant friends, they had been told, drove iron horses that breathed out fire and smoke. The reserves recently staked out were too suggestive of imprisonment. Now, it was mooted, the time had come to put an end to this If the young braves had been uncontrolled there might easily have been a repetition of the Custer massacre, with little chance of serious resistance from the handful of whites planted upon the Battle and the Saskatchewan.

As part of the inauguration of government in the Territories a telegraph wire had been strung from Fort Garry to Prince Albert, via Qu'Appelle and Humboldt, and to Edmonton, via Battleford. Part of the line the passengers on the Canadian Northern west of Humboldt can still see from the train for many miles. The service was liable to interruption without notice. On the fringe of the wooded country a moose might rub down a slender

poplar pole, and ground the wire. The wind in a naked country might do a similar disfavour to civilization. Repair gangs were neither numerous nor swift of movement. It was truly a Canadian National Telegraph, but its appropriate name was the Canadian Now and Then.

Laird wired to Ottawa for special authority to deal with the whole situation as he deemed best. For many days, no answer came to repeated requests to the Department. At last he appealed direct to Sir John Macdonald, the Prime Minister. Sir John's conviviality was for long a feature of the political landscape. Governot Laird, it was believed, caught a glimpse of it in the telegram that eventually did arrive from Ottawa: It said. "Get your hair cut." Not another word was received from the outside world for three weeks, thanks to one of the interruptions of transmission already mentioned.

Before the end of the 1879 season Shaw found that sleeping on the ground filled him with rheumatism; and he returned home convinced that civil engineering was not his mission in life. But he had seen the West in what has since become its most glamorous guise; and, having imbibed the waters of the Saskatchewan, he was to fulfil the saying that those who have once so tasted are fated to return to the scene of so much fortune. You would never think that the dapper foremaster who skips around his eighteen holes on the Mississauga course had been through the peril of annihilation by scalping knife and tomahawk with

Governor Laird forty-five years ago; but it is the truth—and one of the truths that very often indeed, are stranger than fiction.

Once more in Montreal, Shaw studied law; but law was ever a dry-as-dust affair; and by 1880 he accepted advice to seek a railway career, via the unfailing portal of Pitman's shorthand. The practitioner who so advised him moved to Milwaukee, and in 1881 sent word that a job was open in the offices of the Chicago, Milwaukee and St. Paul Railway, that city. Shaw got his job and its inducement to become an American citizen.

In the following summer—1,882—not liking Milwaukee too well, he saw the former general manager of the road in the office—Van Horne, who had gone to Winnipeg the previous winter to build and run the C.P.R. He asked Van Horne about prospects of a job in the Winnipeg office.

"Sure," said Van Horne; "here's a pass from the border into Winnipeg"—and he wrote one in pencil.

Once more Shaw was headed for the Canadian prairies, and did not leave them for Toronto and Mississauga until the Canadian Northern had become a transcontinental system. He was with us from the taking over of the Manitoba Northern Pacific by the Canadian Northern, till the taking over of the Canadian Northern by the Canadian Government. The changes he shared in are those which should furnish the real substance of this story. Others which he closely observed were peculiar to his personal association with the C.P.R.

164 MILLER THOMPSON'S RAPID RISE

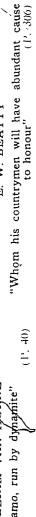
One of two which must be set down, whatever else is left out, relegates the ballad of the Miller of the Dee to the dreary commonplaces.

Thirty years ago the Ogilvie Milling Company was the big business in grain buying and flour making in the West. Its many elevators along the C.P.R. and the Manitoba North Western, were as prominent as the Saskatchewan farmers' own grain houses are to-day. The Company's accountant was Fred Thompson who came from Montreal to Winnipeg in the same year that Shaw returned from Montreal to Winnipeg. He had been in the Exchange Bank, and in six years rose to the Ogilvie's managership.

The ten years that followed saw various mutations in the milling business that have a romance of their own. As a whole, the country was poor enough, but where so many natural resources are being developed over so much of a continent, great enterprises will grow, here and there, men will become rich, and financiers will evolve from clerks and lumberjacks. Within the C.P.R. sphere of influence, its superintendent of telegraphs, Charles Hosmer, developed from a key tapper to a capitalist, first on the side, and then all the way. His responsibilities have included the Presidency of the Ogilvie Flour Mills Co., millers to the King.

In 1898, the president, William Ogilvie, died. One very cold day, during the winter ensuing, George Shaw was in Montreal on C.P.R. business. Returning to the Windsor he was spoken to by Fred Thompson, who was more obviously agitated than





SIR WILLIAM VAN HORNE "A dynamite"

E. W. BEATTY



managing millers of eminent sobriety and unimpeachable Anglican integrity are wont to be.

"Come up to my room," said Thompson, "I want to tell you something."

Shaw pleaded a dinner engagement, but his old friend would not be denied. "Come up, anyway," he pleaded, "I won't keep you long."

Arrived in the room, Thompson put off his coat, threw himself on the bed and lay there in much distress.

"Don't talk for a little while," he begged. Shaw read the paper for a quarter of an hour, and then rose. Thompson begged for more time, and again Shaw tried to read the news, and to divine Thompson's malady.

At last Thompson said:

"Shaw, I've made a million dollars to-day, and I can't get over it."

Shaw thought the malady needed an alienist, and expressed his disbelief.

"Oh, yes, I have," Thompson persisted. "I've bought the Ogilvie Milling Company, and the deal's worth a million dollars to me." He explained how Hosmer and the Allans had found the money; and the direction of the Merchants' Bank was involved in the transaction. The agitation superinduced by an avalanche of wealth subsided in due course; and Fred Thompson developed a remarkably cool imperturbability in presence of oodles of cash.

Next evening Shaw was again in the Windsor rotunda when whom should he see but George Lane, the famous rancher of Calgary. George Lane

166 "I'VE MADE HALF A MILLION"

is a character in candour as well as a Croesus in cattle. The embodiment of geniality, he doesn't expect the milk of human kindness to flow through or about a business transaction. He says:

"If after chewing the rag for a day or two I make a deal, and the other fellow says 'Come and have a drink,' I say to myself 'George, you're beat.' If he offers me a second drink, I say, 'George, you're beat to death'."

Shaw was surprised to see George Lane at Montreal in mid-winter.

"What are you doing so far from home?" he asked the great cattle man. "I thought you'd be preventing your steers from freezing to death on the ranges."

"I've been down to Quebec," Lane replied.

"Quebec? But there are no cattle shipments at this time of year to take you to Quebec."

"It's been about cattle all the same," said Lane. "Come up to my room. I've got to tell somebody something or bust, and it won't do to tell it here, with so many people around. Come on up, quick."

George Lane, cattleman, didn't throw himself on the bed, but quickly announced,

"I've made half a million dollars to-day."

Remembering the previous evening Shaw did not suppose this was a case for an alienist, and opened his ears for the facts.

"I've bought the Allans' ranch in the Foothills," said Lane. "They were in such a hurry to sell that they don't know to a few thousand how many head are on the property, but I do. The outfit's worth

half a million more than they asked me for it. I only just found out why they were so darned anxious to sell. They've gone into the Merchants' Bank and the Ogilvie Milling Company, and want ready money. I don't carry half a million in my jeans, but I know where to get it. I had to tell somebody the d—— news, and you're the first friend I saw in the hotel."

One all-in-the-day episode from Shaw, and we must leave him to his golf. In the spring of 1883 he was sent to Port Arthur to receive the first steamer load of passengers that was to enter Winnipeg direct from an Ontario port. The boat was the City of Owen Sound, from Owen Sound, which the C.P.R. had made its Lake Huron terminus, failing to arrange for Collingwood. There was practically no landing accommodation—the hour for norters on Thunder Bay had not yet struck. hundred and fifty passengers disembarked and their baggage was handled by the C.P.R. officers, of whom Shaw was one. Among them was a young engineer who, from having been a chainman on the Credit Valley line was on the way to a job on the Superior section of the C. P. R. His name was Macleod. He was to become chief engineer and general manager of the Canadian Northern Railway, and build more miles of railway in the prairie country than any other man.

CHAPTER XI.

Indicating several considerations which made Toronto the centre of a Transcontinental system.

RATHER cynical friend used to say his title to respectability was that he was permitted to live in Toronto. For twenty-one years I have been enabled to read that title clear. In truth, Toronto is a goodly city, which doesn't think of itself more highly than it ought to think, although it has a contrariwise repute. Occasionally one is inclined to observe that it might have thought a little more generously of some who have served it better than has always been recognized — Sir William Mackenzie and Sir Donald Mann, for examples.

When the movement of Canadian National officials to Montreal began, early in 1923, there were about twenty-five hundred employees of the system in Toronto. At say, an average of two dependents, that means a population of seven thousand five hundred; and with their support of butchers, and bakers, grocers and tailors, candlestick makers, and show-ticket takers, say fifteen hundred more. Half of Toronto's manufacturing output goes to the West. In the prairie country, at least, it can fairly be said that one-fourth of the development of this century has been directly due to the build-

ing of the Canadian Northern. There was no particular reason why a series of railways west of Port Arthur should have their head office in Toronto—I mean from the point of view of efficient administration—except that Mr. Mackenzie lived here, and, as President of the Toronto Railway Company, had spend much of his business activity with the city as his personal headquarters.

Mr. Mann lived in Montreal. His partnership, with the late James Ross, the present Sir Herbert Holt, and Mr. Mackenzie, entailed the carrying of an office in Montreal. The head office of Mackenzie and Mann was opened in Toronto in 1899—three years after the railway to Dauphin, (and to two oceans) was begun. When the Mackenzie-Mann partnership was incorporated, later, it became possible for the two principals to become officers of the railway companies, because they were no longer construction contractors personally—one of those legal situations upon which, according to temperament, it may be declared that the law is an ass, or a Solomon.

At that time the Toronto Railway Company's building at the corner of King and Church streets was not all required for street railway purposes; and the railway contractors rented three back rooms on the top floor, the architectural firm of Pearson and Darling having the front offices.

Construction was going on in the West, where the accountant, P. C. Andrews, was on the ground all summer. His winter quarters were in Toronto, where he produced his balance sheets from the field records. In 1899, with the move to Toronto, and with work proceeding rapidly east and west of Winnipeg, a young fellow was brought in to take charge of the Mackenzie and Mann accounts. He so continued, with increasing responsibilities during all the strenuous period of Canadian Northern expansion. For a combination of natural capacity in accounting, and experience in the finance of modern Canadian railway construction, I do not think his equal exists. When the Canadian National name superseded the Canadian Northern, A. J. Mitchell-was appointed vice-president in charge of finance and accounts, and remained as such until he retired with the president.

After a year the whole top floor of the Toronto Railway Building was occupied by the railway constructors. To desk room here I came at the end of 1902, when it was decided that the Canadian Northern head office must be in Toronto and that somebody familiar with all the details of the operation of completed lines should carry a general responsibility. The title of superintendent was changed to that of third vice-president; and so continued for nearly sixteen years.

In this reference to an office convenience some hyper-critic may discover solid confirmation of the suspicion which has occasionally been formed and fanned in sections of the press which often impugn motives, and seldom examine aspersions. The Canadian Northern, it has been professed, was created as the milch cow for a couple of railway contractors, was forced into an excessive flow of nourish-

ment, and was turned over to the people of Canada after having been drained into an almost fatal exhaustion. When we come to discuss some financial aspects of the railway situation in Canada, this matter may be recurred to. Meantime, it is enough to say that there's only a mare's nest in it.

The Canadian Northern did not long remain with desk accommodation on a friendly floor. Negotiations were concluding for the purchase of the building at the corner of King and Toronto streets. Early in 1903, as renters from the Rice Lewis estate, we began to take possession—a process that continued without cessation for all but twenty years. Always somebody was moving. Half the time it was a shift for a whole department, because another department as well as itself required more room.

At the beginning, for instance, the legal department—but there was no legal department of the railway in the generally accepted sense. There was, of course, a great deal of legal business, much of it local in scope, and an increasing amount that was fundamental to the railway's growth. Such questions as the acquisition of right of way in the West and the adjustment of damage claims were handled by our solicitors in Winnipeg. But important matters like the agreements covering acquisition of charter rights and the physical assets of existing companies, and the creation of new joint stock entities—when we came to require an express company of our own, for example—were dealt with

in Toronto, first by Mr. Z. A. Lash alone, and later by a department of which he was the head.

Mr. Lash was a great general counsel. He had no Canadian superior, perhaps no equal, in drafting legal documents. So exquisite was his appreciation of word values that, though others might embody an intention in a series of paragraphs apparently beyond criticism, his mastery of precision and shade was such that he could clothe it in language which had the exactitude of a multiplication table. and the clarity of a mirror. His knowledge of the law-especially company law-was wide and profound, as became Edward Blake's Deputy Minister of Justice in the eighteen-seventies. To rare professional acumen was allied a high individual sense of honour, and a capacity for finance which very fittingly made him vice-president of the Canadian Bank of Commerce.

When the Canadian Northern legal work became altogether beyond the physical capacity of one general counsel, in 1904, there was brought to Toronto from the Department of Railways and Canals at Ottawa, as general solicitor, Mr. Gerard N. Ruel, now vice-president and general counsel of the Canadian National Railways. To work with Mr. Ruel is to enjoy an uncommon experience. Everything that is meant by the phrase "counsel learned in the law" applies to him, as it does to many another practitioner of the baffling science. But no gentleman of the robe of my acquaintance is Mr. Ruel's peer in an uncanny capacity for absorbing multitudes of facts about territory he has never seen, and

in a weird facility as a reader of blue prints. He absorbs topography from maps and plans as a sponge absorbs water. A blue print upside down is instantly as plain to him as it is to other skilled observers who have carefully studied it right side up.

For several years Mr. Lash and Mr. Ruel had rooms near to the President and Vice-president. About 1908 they required more space and had to move to the corner of Toronto and Court Streets, where, indeed, several departments were located. They occupied about half a floor, and gradually encroached on the space of smaller departments which had to find lodgment elsewhere.

Few people have any idea of the magnitude and complication of the legal business of a railway, even when it has settled down into a staid, unexpanding enterprise, from the territorial side of things. where, almost in a night, an enterprise develops the faculties of a steel magnet operated by an electric crane, and draws all sorts of material to it, lawyers become a very hard-worked section of the organization. A farmer whose land is required for right of way-everybody, in fact, to whom the railway stands in the attitude of a purchaser of an indispensable commodity, at once gets into big business. The moral and intellectual damages involved in cutting a corner off a ten-acre field are simply incalculable; and only a well-fortified legal mind can begin to reduce them to humane proportions.

Possibly the most striking features, from a documentary point of view, of the earlier, and, indeed,

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the later, years of the Canadian Northern domiciliation at Toronto were the acquisition of charters, and the reception of requests for new railways in every Canadian province except Prince Edward Perhaps, instead of likening the expanding process of the Canadian Northern to a magnet attracting filings, it is better to say that it was very like what movie fans frequently see when they are about to observe some event which has recently taken place in a distant part of the world. feature is heralded by the appearance of what looks like several sticks thrown into the air-all, seemingly, without direction or intention, but presently falling into an ordered announcement which he who sits may read. That is how the Canadian Northern transcontinental system took shape. From a series of disconnected and apparently unconnectable projections of steel, hanging in suspense, a continuous track was formed, trains ran upon it, and all the organs of a great commerce began to function.

We have seen how the Davis firm had the charter for the Lake Manitoba Railway and Canal Company—and did not finance it. The Manitoba South Eastern was a project that seemed still-born. We connected with Lake Superior by buying the Port Arthur, Duluth and Western—the Poverty, Agony, Distress and Want, as you may remember.

Eastern connection with the prairies was effected on the legs of the Ontario and Rainy River Railway, the original authority for which was held by Port Arthur men like D. F. Burk and Jim Conmee, the latter of whom became well known as far east as Toronto through his membership of the Legislature, and the Conmee Act.

There were two heralds of what was to happen in the eastern section of Ontario and in the farther West, which the uninformed onlooker supposed were peculiar phenomena indeed—the disordered offspring of some misguided promoter with an itch to lay rails which began Nowhere, and ended in a less important place. Nobody now hears of the James Bay Railway-I mean the railway of that designation, and not a railway to James Bay. so many years ago, though, flat cars bearing the name were seen in the Don Valley. Another railway whose name has gone the way of forgetfulness was the Edmonton, Yukon and Pacific. Not long since, a facetious writer, having the fact though not the name of this enterprise in his mind, described it as the Edmonton, Yukon and Aurora Borealis.

It was customary when railway charters were legislated into existence to provide that construction must start within two years, or the charter would lapse. Once construction began, it was comparatively easy to induce Parliament to prolong the charter's life, however fine the thread on which it seemed to hang. Toronto men obtained a charter for a railway to James Bay, and hoped to build it. Among their assets was a secretary, W. H. Moore, whose accomplishments included an assistant editorship of the Monetary Times, a lecture-ship at Toronto University, and a call to the Ontario bar. The steel approach to the Bay lagged

in view of the Ontario Government's undertaking of the Temiskaming and Northern Ontario Railway, the construction of which produced the discovery of the Cobalt silver mines. The James Bay charter was acquired by Mackenzie and Mann. Mr. Moore moved with it, and in 1904 became secretary of the Canadian Northern, and so remained till the great change.

To sustain the charter, the James Bay Railway was begun on a four-mile line from the Grand Trunk, south-east of Parry Sound, into that town. Parry Sound was off the rails of the old Canada Atlantic, which ends at Depot Harbour. The four miles of the James Bay line gave the town its first railway connection with the world. Regular service was maintained, with the engineer, Jack Findlay, as practically the general manager, passenger and freight traffic agent, superintendent of operation, and repairer-in-chief of the whole system. Jack was a great success; and I have sometimes thought that, if he had been on administrative duty in his youth, when his scholastic education could have been somewhat improved, he would have risen high. in the service.

All the time Jack was running the James Bay Railway no problems in motive power reached the head office. He kept his engine in wonderful shape, looked after whatever repairs became necessary, and was as cheerful as Mark Tapley. But there came a day when the Canadian Northern Ontario swallowed the James Bay, and connected Parry Sound with Toronto, at James Bay Junction. Then

Jack must have a round house and his faithful engine must be repaired by other hands. From being an all-round genius he became a trade unionist, in spirit and in truth. Those who were associated with him when he kept time on a four-mile system always think of him with grateful joy; and if ever there is a reunion, on any plane, of the pioneers of the Canadian National System, Jack must be there, of indefeasible right.

The Edmonton, Yukon and Pacific, was reminiscent of the Klondyke rush; and a steel record of the seeming diversion of Horace Greeley's gospel which appeared at first to be the motive of the Mackenzie-Mann ventures into railway-owning company, "Go north," was the impulse of the Lake Manitoba Railway and Canal venture."Go north" was the urge of the Edmonton, Yukon and Pacific. There is something peculiarly fateful about this pull to the Aurora. From one of the eminent journalists whom we conveyed through the West, it produced a fascinating discourse on "To the Pole by Rail". It has made Stefansson famous. Through its possession of him it has brought Wrangel Island into the dreams of an aerial and submarine route that will shorten travelling between London and Tokio by seven thousand miles. But operating surpluses haven't yet been common to farmost northern railway transportation. The Edmonton, Yukon and Pacific was like the James Bay it held territory, and it produced a short line that gave a great city its first railway station.

The Calgary and Edmonton on which Mackenzie and Mann were contractors, ended at Strathcona, across the noble valley of the Saskatchewan from Edmonton, then almost hidden among the poplar groves of the northern bank. To build a steel bridge across the valley was a very expensive job. Indeed, at that time to go right into Edmonton would not add enough to the revenue derivable from Edmonton to pay interest on the cost. Competition was a dozen years, and hundreds of miles away.

To hold the E. Y. and P. charter, then, our people built a line eight miles long, from Strathcona to Edmonton, going down a long ravine, crossing the river by a team-and-train bridge, which was in large part a public work, climbing into Edmonton, past the Hudson's Bay Company's Fort and the site of the future Parliament Buildings, and getting into the straggling town through lands that were very much of a backyard, but which have developed into property that is now worth millions of dollars to the Canadian people.

The operating situation here was somewhat similar to what obtained at Parry Sound. The engineer was Entwistle, of whose connection with administrative work three things are worthy of note, because they are not likely to be repeated. Some time after the E. Y. and P. was superseded by the Canadian Northern's arrival from the east, at the end of 1905, Entwistle was made superintendent. But very soon he asked to be allowed to resume his place at the throttle—an illustration of the frequent phenomenon of a refusal of responsibility,

which every executive officer of any large enterprise has observed with considerable disappointment. It is surprising how many men decline higher jobs with higher pay, entirely because they are short of faith in their own ability to master unfamiliar affairs. We shall revert to this timidity towards ambition.

A town was named after Entwistle, on the Canadian Northern, west of Edmonton. All the coal for his engine on the E. Y. and P. was dug by the section man from the bank within a few feet of the track on the Edmonton side of the river.

Somewhere is a chart showing the charters that went into the Canadian Northern Railways. It looks like an elaborated genealogical tree of the kings of England, beginning with the Heptarchy. During my second year in Toronto the purchases were made which afforded those who could read the signs of the times an indication that a second Canadian transcontinental railway was taking shape, and that oceanic strategy had already become a daily factor in the scheme. This was before the Grand Trunk Pacific project was publicly launched.

Quebec has had its share of railway enterprises which did not pan out as their promoters expected, but which have played a vital part in the economic development of the province. The most remarkable of the local pioneering railways was the Quebec and Lake St. John. It was built as a colonization road to Lake St. John—the Chapdelaine country, as it may yet come to be called. The early

financial troubles of this road look romantic through hindsight; but they were grievous to be borne when they occurred. For instance, there were times when the train could not leave the station at Quebec until the general manager had borrowed enough money from the passengers to buy coal for the locomotive.

The people who promoted this railway also began the Great Northern of Canada, to connect Quebec with Montreal as its first considerable achievement. It left the Lake St. John line at Riviere à Pierre, fifty-seven miles from Quebec, and made for Montreal along the edge of the Laurentian mountains by way of Grand Mere and Shawinigan, where vast paper and power developments have since taken place.

The Great Northern came into the market in 1904, along with its right to enter the east end of Montreal from Joliette, on the charter of the Chateauguay Northern. The Canadian Northern obtained it, with terminals at Quebec harbour, including a million-bushel elevator, since burned to the ground. Of this railway, re-named the Canadian Northern Quebec, I became president. Alone, it was a lame duck. As a connecting link it struck a promissory note.

Railroading in Quebec under these conditions was a very different business from working in the audit department of the Grand Trunk twenty years before. Then, of course, one was occupied with routine, which mainly concerned territory west of Montreal. The Canadian Northern Quebec was

Quebec through and through. Railway conduct in the French province has several interesting distinctions.

Whenever a piece of new line was to be opened the occasion was utilized for a celebration in which all varieties of public men participated.

The Quebec and Lake St. John was so essentially a colonization road that everybody took an interest in it and expected to take passes out of it. anticipating my story a little; but not spoiling its propriety, by mentioning the opening of a short branch to La Tuque, on the St. Maurice river, where the National Transcontinental crosses that wonderful stream and turns westward. adian Northern had recently acquired control of the road, and I was president of it also. As the branch had been undertaken, and all but completed before our regime, it seemed well for me to be represented at the inauguration by a deputy. A special train went up from Quebec. Cabinet ministers, judges, senators, M.P.P.'s, bankers, merchants were there -every section of the community sent delegates. At La Tuque there was a dinner with speeches in a frigid freight shed, and everybody returned home feeling he had contributed something to a new chapter of the province's industrial history. The branch hasn't fulfilled expectations-indeed, it has not been operated for several years, but it had its uses.

That inaugural was in 1907. By that time the opening of a branch line in the West had become so much a matter of course that we thought

nothing more of a new service as a historical event than we did of issuing a temporary time card until the next revision of the established schedules.

Allied with this Quebec form of public recognition of railway expansion were the more distinctly political aspects of the development. For nearly thirty years the Intercolonial had traversed the province on the southern side of the St. Lawrence. Whatever else might not be in politics the Intercolonial most certainly was. The railway was as much a part of every candidate's hopes and fears as the ballot box itself. It was as close to every member's duty, if he supported the Government, as the orders of the day. A share of dominion over it was one of the sustaining longings of hope deferred in the heart of every opposition M.P. whose constituency it touched.

For two generations, as statisticians reckon time, and for five generations as politicians take the count, the first Government-owned, Government-operated railway in Canada was regarded, in the territory it traversed, more as a rich and benevolent relative than as a servant who gave service only for money received. One feature of the "rich relative" notion of public-owned railways should be mentioned tenderly. It was a legacy from the days when barter was most common as a form of disposing of farm products, and eggs and butter were traded at the general store at values that were amazingly low, for groceries and dry goods, the costs of which were extraordinarily high. Real money was scarce indeed, everywhere, and a job

that brought pay in cash was a rare and coveted beneficence. The best job of all was a post with the Government. All over the country there was severe competition for country postmasterships,—the revenue from which would nowadays buy but small quantities of gasoline. Wherever the Government railway ran, a job as a section hand became a lawful prize of election erring war.

It is useless to mourn bitterly over these conditions which are an inheritance not only from the economic construction of Canada, but also from the Government departments of the Old Lands—Britain as well as France. Men bought civil appointments as they bought the right to appoint their own friends to the livings that rewarded the cure of souls. When I was an office boy in Glasgow the system of purchase in the British army was still operating. It cost twenty-two hundred dollars to get a cadetship and sixty-three hundred dollars to become a lieutenant-colonel. Every intermediate step in promotion was paid for commensurately with the rank acquired.

The abolition of purchase in the British army was only achieved after long and bitter opposition. In the younger days of those of us who are still on the humorous side of seventy, the idea that there must be perquisites attached to all sorts of offices was apparently as invincible as the Rock of Gibraltar. The cook had the fat, the fur and the feathers from everything that came into the squire's kitchen. The official of the College of Heralds and the royal clerk who records the outpourings of the fountain

of honour receive their fees. The notion that it isn't necessary to work very hard at a Government job wasn't born on this continent. It was expressed in the sinecure that was waiting for a British Prime Minister's son, and in the ease with which the clerk in Whitehall could begin his work a little after ten, and lay down his quill a little before four.

We are getting away from that quality of public service, though it isn't always easy to make progress along a straight and thorny path-and it is harder to do it in some parts of Canada than in With a country so vast, and a population so diverse, it is impossible that the sectional benefit will always be subordinated to the advantage of the whole. The railway builder, as well as the Government, has to recognize, and at times, to capitulate to something which he does not want in order to be able to get something he really needs. The building of the transcontinental Canadian Northern, as a privately directed enterprise had its share of these difficulties. So did the undertaking of a transcontinental system by the Canadian Government shortly after the Canadian Northern entered Eastern Canada as the second stage of its evolution from a prairie carrier to a nationwide system.

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There was a great difference between the methods followed by the Canadian Northern and the Grand Trunk Pacific transcontinentals. Fundamentally, the Canadian Northern was a wheat-country road, designed to cover the most productive regions, and to be assured of the essential business

which would carry, later, the more costly construction in the more sparsely populated, less productive territory. The other line was an across-continent project from the beginning, without any initial development of traffic whatever on the prairies. Its cost across the northern wilderness to the Western plains was evidently only guessed before the scheme was submitted to Parliament—at least the public never saw the detailed reports of engineers who had gone over the ground and estimated the cost per mile. The expenditure on original construction was out of all proportion to the earnings, because the road was built on the scale of a trunk main line, when it could only expect to secure revenue from a pioneering service.

There is great disappointment in old Quebec, to this day, because the National Transcontinental is not bringing to the ancient port the business that was predicted for it. It is true that the railway has opened up country in northern Quebec, through the energy and skill of the French-Canadian pioneer to whom the axe is as much the implement of agriculture as the plough. But the Western wheat is not coming to the St. Lawrence by way of La Tuque; and the good people of the city think it ought to be pouring in.

The conditions are impossible for such a consummation and bliss. Wheat moves from the prairies down to the seaboard in accordance with commercial laws of gravitation which express themselves in the relative terms at which cargoes can be shipped from the busiest ports in America, to the big-

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gest ports in Europe. Merely because a railway has been built across Northern Quebec to Quebec harbour, which is closed half the year, the law of commercial gravitation will not be reversed.

But the railway remains a monument to a demand that was based more on the ambitions of a section of Canada than on the true railway factors of a situation that became more political than economic. The cost of construction finally worked out at a hundred and fifty thousand dollars a mile—twice as much as the Canadian Northern spent to build through the mountains from the Yellowhead to Vancouver, with very much more steel bridge work, and very much less wooden trestle than went into the railway between Quebec and Transcona.

What the \$150,000 per mile meant, in addition to the purely colonization aspects of the road, can be partially judged from a glance at the map. The National Transcontinental entered a wilderness north of New York, and didn't leave the wilderness until it was north of Omaha, in Nebraska. In that wilderness, at that time there was not an existing community of twenty white people.

Of course, the times were surcharged with the will to build. The Canadian people, seeing immigration pouring in at a rate of about a thousand people a day, wanted railways and more railways; and demanded them from wherever they seemed likely to come.

To one phase of this extraordinary impulse of the first few years of this century, I think attention has been insufficiently directed. The immense project which was to do for the Laurier fame what the C.P.R. did for the immortality of Sir John Macdonald was put through Parliament in 1904, and a general election endorsed it. Construction began in 1905, with financial and other prestige behind it, such as no other Canadian venture had.

The Grand Trunk Pacific was widely held to have relegated to a negligible situation the railway development that depended on the continuing initiative of two men. But when finally, in the midst of a world war, both enterprises perforce had to come under Government direction, and, as an immediate consequence, the receivership of the G. T. P. had brought the old Grand Trunk into the same control, and all the men who were principally concerned in the activities of the whole period had stepped out, the mileage of the Canadian Northern railways exceeded the combined mileage of the National Transcontinental, the Grand Trunk Pacific and the Grand Trunk in Canada. It is also apparent that if the National Transcontinental and the Grand Trunk Pacific ever justify the capital cost, it will be because of their union with the prairie lines of the Canadian Northern.

I shall recur to this subject, with which is associated the further matter of record—that, even at the time when the Government of Canada so dramatically and mightily entered the Western railway field, it was on the Canadian Northern that popular demand after demand was made for transportation, as the salvation of settlement.

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Happily, the appeal for railways and more railways did not strike the third vice-president as directly or as insistently as it did the president and vice-president. I was mainly kept busy in furnishing clothes and tools for the infant that was all legs and arms. It was never satisfied with its outfit; but, as far as the West was concerned, it never failed to earn the cost of its keep, and more.

The facts about the guarantee of bonds of the original line showed that, so far from Mackenzie and Mann being the first importuners for railway construction under Government guarantees, the pressure came from another direction. The West was filling up. Farmers were going into districts long distances from railways. In 1905, the provinces of Saskatchewan and Alberta emerged from the North West Territories, with two brand new Governments, living on the electoral favour of people, most of whom were new to the West, were boundlessly confident of an immediately prosperous future, and were as clamorous for railways as famished lions are for flesh.

In more than one case the first intimation that reached us of an obligation to construct a branch line was the news that a Legislature had passed an Act chartering a railway through a given area, and guaranteeing the bonds.

This sort of demand was not confined to the West. Our entry into Quebec was followed by a constructive appearance in Nova Scotia. Coal measures having been acquired on the west coast of Cape Breton Island, the town of Inverness

sprang into existence; and to bring the coal conveniently to shipping a sixty-seven mile railway to Port Hastings on the Strait of Canso was built. The Murray Government, wanting a line from Halifax to Yarmouth along the marvellously indented South Shore, raised the seven million dollars necessary to build it. Our people acquired the fifty miles of existing line from Yarmouth to Barrington; the Halifax and South Western was built to it; and the whole is part of the Canadian National system today.

What Nova Scotia obtains, New Brunswick covets. New Brunswick and Prince Edward Island were the only eastern provinces that we were not working in within ten years of the founding of Dauphin in a wheat field. That we stayed out of New Brunswick wasn't the fault of influential powers centering in Fredericton. For six weeks one deputation, importuning for railway construction, hovered about the Toronto office.

It is charged that the railway building in Canada of the first fourteen years of this century was too prodigal. On the whole, it was, though responsibility for it should be discriminatingly allocated. But in view of what was asked for, and what was acceded to, I think Mackenzie and Mann were entitled to adapt their speech to Clive's remark when he was cross-examined to show that he had unduly enriched himself in India. As he thought of the treasures he might have taken and didn't, he said: "By heaven, Mr. Chairman, at this moment I stand astonished at my own moderation."

CHAPTER XII.

Offering explanations why luxurious ease does not distinguish living on a private car.

THIS is the apologia of the private car, as to which there is probably more misapprehension in the public mind than about any other aid to railway business. The notion is abroad that there is as much relation between the private car and hard work as there was between the melodies and the briefs of a certain eminent lawyer, addicted to drops in aitches, of whom a competitor is said to have remarked: "Ere 'e comes, the 'oly 'umbug, 'ummin' an 'ym; 'ow I 'ate 'im".

There are private cars and private cars. Most of them should not be called by that name. Very few which are properly so designated belong to railwaymen.

One chilly evening, just after sundown, a Saskatchewan farmer was crossing, with his yoke of oxen, a siding where stood a car, well lighted and blinds undrawn. He saw a short-bearded, middleaged man sitting, with three other prosperous looking persons, at the table, which was well-appointed with spotless linen, and the sort of ware without which a meal is nowhere. He watched a white-coated man enter; and he halted his cattle to see this man hand around a dish, and stand respectfully while the other people took from it what they required.

Fascinated, the farmer stayed there till the meal was concluded, cigars were burning, and the blinds were drawn. He was abroad later than he had expected, and had not reckoned on so chilly an evening. He shivered as he commanded Buck and Bright to proceed; and he talked to himself—as he has told the story since.

The lazy luxury of these railway magnates! Lolling over the country in private cars, waited on hand and foot, out of the money which poor devils like himself, shaking with cold, and working their bodies to skin and bone, paid to the railway for dividends and luxuries like the cars that made these men feel like kings and act like tyrants. The farmer would soon show these oppressors where they got off at. They'd begin by getting off the private car-and so on and so forth, in human nature's human way.

One story is good till another is told. The rolling-in-luxury side of this episode of a siding on a chilly October night is this:

The man at the table head was the railway president. Two of his guests were representing financial houses. The fourth man was his secretary. car had been dropped at the siding because, next morning, teams would be there to drive the party forty miles north to inspect the country through which it was intended to build a branch line; and in which it had been reported that there were many farmers to whom getting out their grain was a

burdensome operation, depriving them of the chance to prosper by their season's work.

The financial men were from London, and could facilitate or hinder the flow of millions of dollars to Canada for the development of agriculture. They were touring the country to see what sort of conditions their clients were being invited to back. They wanted to visit a typical piece of country without railway facilities; and to get an idea of the courage and capacity of pioneers who would start farms in the wilderness ahead of means of economically getting their produce to market.

The president was on his annual inspection trip—just as necessary to efficient discharge of his duty as a farmer's Sunday walk around his fields is to his knowledge of his crops. He did not want to drive for whole days across new country. His trusted engineers and locators were in the habit of doing that; and time was valuable. But it was good policy to go personally with the men who were extremely influential in the money market that was as important to the Saskatchewan farmer as the wheat market is. All day he had been with his guests, telling them about the country, and observing the condition of the track and stations through which the train passed; and receiving messages off the telegraph wire.

Long after the farmer had gone to bed, and his oxen had exchanged cud-chewing for slumber, the railway president, having said "Good-night" to his guests, was dictating replies to the messages he had received during the day, and working as hard as if he had been in his office fifteen hundred miles away.

It is true that the car looked like self-indulgent wealth to the farmer sitting in the wagon outside; to whom it seemed the height of luxury to be waited upon by a man in a white coat. But it was all in a hard day's work to the man who was getting the money to build railways into the prairie country, without which the owner of a yoke of cattle would be forlorn indeed. The president, who came from the farm, would regard it as the height of luxury to have nothing more to worry about than to sit on a binder for a few hours, and see the nodding heads of wheat fall on to the carrier, to be delivered in rows of sheaves to the stooker.

Any business man who has worked his heart out to establish something out of nothing, and has overcome difficulties that had a knack of springing up out of nowhere, and spoiling the best-laid calculations, knows that most capital has to be wrung out of trouble.

The farmer too, knows this; for sitting on a binder isn't all golden grain; and chores have their own worries. But he is apt to associate difficulties only with manual labour. Never having travelled in a car that is also an office he doesn't apprehend what working on wheels really is.

The point is that, to a man harassed by a multitude of cares, as a railway executive is, there is no such thing as luxury. He cannot even envy the sensation of my countryman who was encountered at a funeral. Into a carriage starting for the cemetery there stepped a man who was unknown to the mourner already there. As the journey proceeded the mourner questioned his companion. Was he a relative of the corpse? No. An old friend then? No, in fact he didn't know the corpse. Then he would be a friend of some friends? No, indeed, he was a stranger entirely; but he hadn't been very well, and the doctor had ordered carriage exercise for his liver.

The general superintendent of the Lake Manitoba Railway and Canal Company was incessantly up and down the road for three or four years before he had a car that was called his own. He travelled with the other passengers when passengers were present, and in the conductor's caboose when the train was all freight. A freight conductor has a private car—business couldn't be carried on without it. He is compelled to ride somewhere. In cold weather he is entitled to as much warmth as a passenger. On long runs he must have something to eat. Nobody begrudges him his caboose. Uninformed resentment is reserved for the magnate, so-called!

When we had extended from Dauphin through Swan River, and were operating the Muskeg Limited between Winnipeg and the cordwood swamps of Marchand I did have a car of my own. It was very much of a used car, for it had housed Mr. Mann during construction of the Calgary and Edmonton. While a contractor is on his job he is compelled to be a good deal of a gipsy. The real

difference between his private car and a gipsy caravan is that the gipsy can move anywhere he likes, and the contractor is compelled to stay with the tracks.

Mr. Mann's car had a romantic name—the Sea Falls. It had stood up nobly under every kind of treatment—and bumping over skeleton track is treatment enough to annoy even a constructor's equipage. When we gave it such a renovation as pride and revenue permitted, we also extinguished its name for a number—19 was the all-sufficient description of the old Sea Falls, and Number Nineteen came to be regarded femininely.

I don't think she ever learned to dance the hornpipe, but she certainly danced. The ideal car for construction purposes must not be heavily built. Yesterday a friend was talking about ideal fishing country in the northern recesses of Frontenac county, to which many wealthy Americans come every year. "You can only get into it with a Ford," he said.

The old Sea Falls, invariably called a she, was the first and chief Henry of the Canadian Northern. Up to a venerable age she was never off the track. She rolled and leaped and ricocheted, when Billy Walker or Joe Beef let his engine get gay over a stretch of gravel ballast. Sometimes, I think, she skipped along like a flat stone thrown almost horizontally at the lake; but, whatever happened to any neighbouring equipment, Number Nineteen sustained the reputation of the Sea Falls, and remained true to steel.

The superintendent, by the way, must also be a thoroughgoing gipsy if he is any good as a superintendent. He has an office, of course, at his chief divisional point, where he can be seen when people have to come to him. But his real office is the table off which he eats his meals. His stenographer is his constant travelling companion. The public seldom sees his car, for it is carried at the tails of freights, as a rule, and is left at all sorts of minor-looking places, where work has to be done.

But what about the cars of which the public sometimes sees and hears? They are of three sorts—the railway cars, the statesmen's cars, and the absolutely private cars whose owners pay for haulage on as commercial a basis as the passenger who buys his ticket at the counter.

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Broadly, the trip which the Saskatchewan farmer saw, in part, can be taken as typical of what may be called the presidential inspection of properties and prospects, during the expansion phase of a railway. The chief executive of an established road that covers a continent is compelled to travel a great deal; and to know that his journeying days are his hardest, however inured he may be to resting on restless wheels.

His secretary loads several boxes with correspondence, much of it relating to matters to be taken up at points to be visited, and much concerning all kinds of business accumulated at the head office. Where inspection of physical property is an objective—which is always the case, for, wherever you go, you are on the property for whose maintenance

you are held responsible by shareholders and public—the President while the train is moving will be found sitting at the observation end of his car, with his secretary by his side, watching everything as it comes into an instantly dissolving view.

On a siding he sees a couple of cars belonging to an American road, for which rental is being paid for every day that they are on his system. They may be in this unlikely place for very good reason—and again there may be some neglect of duty in their present location. Note is made of it, for the attention of the superintendent concerned. At the fourth telegraph post, after mileage six hundred and fifty-three, there is a stack of ties, with weeds growing about them in a profusion which suggests that there has been unwise distribution of costly, deteriorating material.

A station not stopped at gives evidence of slovenliness in the agent. The next has flower beds in lovely bloom—the proof of a pride in his post for which the agent will receive a word of appreciation from a superior who does not forget that he is also a colleague.

Crossing one-of the fast-diminishing number of wooden trestles it is observed that the water barrels are not well filled. Further on a tank is leaking water—and money.

During a stop at a division point the President hurries to the roundhouse, to get his own idea of the efficiency with which the power is being handled, and repairs made without undue delay.

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After a day of this description you arrive at a city where the City Council and the Board of Trade are waiting to press for a pledge of improvements which, to them, are most important items in a civic programme.

In the afternoon, perhaps, you passed through a station of a small and juvenile town for which the local Board of Trade had urged the desirability of another express truck, and a larger cattle pen, so that passengers on the express trains might get a better idea of the magnitude of the business done at that point.

Sometimes the difference between the small town and the big city is only of degree. Local patriotism is a mighty fine asset in every community. One finds no fault against the urgency with which local problems are pressed upon a harassed railway executive, with the remark, often heard, that what is asked is a very small matter for so large a railway. Many a mickle makes a muckle; and there are limits to what can be done with the revenues of a railway, every department of which has an Oliver-Twist-like propensity for demanding more.

Take an instance of the problems that beset your railway president as he flits about the country—the passenger accommodation at St. John. The Intercolonial station is on low ground. It is one of the structures which do not reflect the magnificent ambitions of members of Parliament, whose chief end in public life is to get public money spent in their ridings—well spent on the whole, of course, but spent. Lately the train sheds that served the pur-

pose of a metal umbrella, had collapsed, and temporary shelters over the platforms had to be put up.

Long ago, plans were prepared for a rearrangement of the station accommodation, which would bring the passengers into a building on a higher level, discharge baggage at a lower elevation, improve the street railway facilities, and generally give to St. John what everybody admits St. John needs, on a business-like basis.

The cost of over a million and a half dollars must be shared by the National Railways, the civic government and the street railway. The improvements were held up because the railway executive believed the other parties to them should contribute more to the cost than at first they were willing to undertake. "Let George do it" is not an isolated view of expenditures in which what some people no doubt would like to call the king's railway is concerned, jointly with other public and semi-public authorities.

Situations like that at St. John abound in varying magnitude. They call for an armoury of qualities which any one man might be forgiven for not possessing. They are just a part of the day's responsibilities which crowd into the private car.

They abide with the executive while he is showing guests the aspects of Canada in which they are specially interested. Consider two examples from Canadian Northern ante-public-ownership days. The first excursion that looked like a joy ride to everybody except to the men responsible for com-

pleting it, was the visit, in 1898, to Dauphin and Winnipegosis of as many members of the Manitoba Legislature as could go to see the railway that had been built under legislative guarantee. Having none of our own, we had to hire sleeping and dining cars from the Canadian Pacific. The trip occupied two long days with a banquet in Dauphin on the night out.

The last considerable excursion attributable to public responsibilities was the Parliamentary journey to the Pacific Coast when the road to Vancouver was prepared for business, in 1915. The everready cynic can say that these excursions are near, but extravagant relatives of the electioneering campaign of which the cheap cigar is a nauseating and corrupting feature. But, looking back through the severe spectacles of the prohibition age, and not forgetting that the prairie air, especially as it approaches the Great Divide, is very prone to sharpen Eastern appetites, I think it is well within the truth to declare that journeys like these have been performed absolutely in the public interest.

The most solicitous railway in the world cannot give to a member of Parliament the faculty of imparting to his constituents and to the public generally the highly instructive information which has come to him in his representative capacity. All it can do is to give him the opportunity to acquire knowledge of the development of his country which only travel under informing auspices can bestow. That we did, at various times, and left the event to a providential future.

Prince Arthur of Connaught travelled over the Canadian Northern from Edmonton, when on his way home from Japan, whither he had been on a special mission for King Edward. To act as if a railway owed nothing of courtesy to such a representative of majesty would flout the amenities of civilization. The Prince of Wales travelled thousands of miles over the Canadian National system. This journey couldn't have been prevented without injuring public sentiment, and couldn't be accomplished without making the most and the best of the private car.

There was the courtesy of finance in other personally conducted travels such as those, say, of Mr. Andrew Jameson and Mr. Robert Kindersley - to give two typical instances of civilities that had practical respect to the future, from the farmers' as well as from the railway builders' point of view.

Mr. Jameson was an ex-governor of the Bank of Ireland, and a leader in Irish manufactures and finance. In 1907 he was revisiting this continent with his wife and daughter Violet. The family travelled with me from Winnipeg to Edmonton. Jameson had a qualification for sizing up Western Canada which not many of our visitors brought with them. As a young man he had been a rancher on the Texas prairies. One of his reminiscences of that experience was a testimony to the intensity of the youthful patriotism which flourishes beneath the stars and stripes.

Jameson, driving several days over an unfamiliar trail, stayed one night at a rancher's house in which was a son of about eight years of age. After supper, the boy, who should have been in bed, devoted himself to observation of the stranger. While Jameson was smoking, the youngster planted himself between his knees, and watched him intently for some time. At last he broke silence.

"I can see you ain't no American citizen," he said. "How do you know that? Are you sure?" Jameson asked.

"You bet I am. I can see you ain't no American by the way you smoke."

"That's very interesting," Jameson replied. "And how do you know I'm not an American citizen by my smoking?"

"You don't spit."

As an indication of what happens sometimes in a private car, it can be said that the little town of Vibank, between Brandon and Regina, is a memorial of a very agreeable couple of days with the Jamesons. It commemorates Violet Jameson, and the institution with which her father was closely associated. Nobody would suspect an Irish origin for Vibank; but it is as truly Hibernian as Pat Murphy himself.

Mr. Kindersley, since he first became concerned with the Canadian Northern has been knighted, for distinguished services during the war, and has succeeded Lord Strathcona as governor of the Hudson's Bay Company. He had charge of the issuing of war certificates—the scheme by which scores of millions of pounds were raised by the creation of certificates which, on payment of sixteen shillings

and sixpence, guaranteed the recipient a sovereign after five years. As governor of "The Company," Sir Robert toured Canada in 1920, in celebration of the two hundred and fiftieth anniversary of the chartering of the Hudson's Bay. Company by Charles the Second, who gave to Prince Rupert and his fellow gentlemen adventurers the territory draining into the Bay. It didn't belong to Charles, but he had the ways of kings in those days, and gave it, exacting in return the tribute of two elk and two beaver, whenever he visited the domain.

Before the war Mr. Kindersley came several times to Canada as the representative of Lazard Brothers, the great financial firm of London, Paris and New York. That house under-wrote millions of dollars' worth of Canadian Northern securities; and, therefore, was intimately concerned in the enterprise, as to investing in which their clients would be largely guided by their example.

Sir Robert Kindersley is one of those Englishmen whose eminent affability of manner might be taken by some of our neighbours for evidence of an extreme remoteness from business acumen. But a shrewder business man never crossed the Atlantic.

The first division point between Saskatoon and Calgary is Kindersley, in the midst of what used to be the greatest of all buffalo ranges—the buffalo paths ploughed across by farmers are many of them six inches deep, to this day. A magazine article about the beginning of the town preserved, as was seldom done, (for writers with a gift for vividly seeing the possibilities of an apparently common

proceeding are not always on the spot), the personalities, scenery, atmosphere and other conditions that belong to the nativity of a busy town. "The First of Kindersley" was illustrated, and its most characteristic picture was a photograph of the town-lot auctioneer's small table and a suitcase, standing alone on the illimitable plain.

When the later regime of the Canadian National railways began, the cars of the president and the vice-presidents who required such were deprived of their names, and were known to the service by numbers only. Their doors were not even painted "Official," but announced to the visitor that he was entering a "Business Car."

A similar adaptation to useful uses applied to the several cars that are used by Cabinet ministers. About the propriety of the Prime Minister traveling in an exclusive car there are surely no two opinions. Some departmental chiefs, too, are in the working class when they are on journeying duty bound. There can be too much of a good thing, of course, and, at times, judging by sundry signs and wonders that have come forth, this possibility has been discerned by the Cabinet as a whole, against the aspirations of a colleague whose ideas of official frugality and personal convenience were not endorsed.

Sir Sam Hughes was an old friend of Sir William Mackenzie, dating back to the time when he defeated Mr. Mackenzie for the Conservative nomination for Victoria county, in 1891. When he became Minister of Militia in 1911, and began an extraordinary

career of activity and independence, he felt he needed a car in which the work of the department could be done by a chief who intended to be as nearly ubiquitous as was possible to a Cabinet Minister tied to Parliament for several months in each year.

Colonel Hughes asked me to get him a private car, that was to be serviceable rather than ornamental. I bought a Pullman—they were then being taken off the road rather freely by the Pullman Company on account of the steel car coming into favour—had it fitted up, and turned over at a cost of about seven thousand dollars. The bill was promptly paid, and the Roleen, named after the minister's daughter, was very freely used.

When the war came the Roleen had little rest. Valcartier Camp was on our line out of Quebec, so that I was a good deal concerned with the early movement of troops, and knew how incessantly on the job Sam Hughes was. Most Friday nights he left Ottawa for Valcartier, and returned Monday mornings. He regarded himself, as everybody knows, as the real lynch pin of Canada's share in the war. At all costs he would have things done; and often enough they were done at a first cost of traditional Cabinet responsibility. He honoured this as much in the breach as in the observance; and was consequently not exactly beloved of all his colleagues.

His creation of honorary colonels was an exercise that gave him immense pleasure. He could not understand why some of the recipients of his favor were not as delighted to receive as he was to be-

stow. One, who returned to him the imposing commission signed by the Governor-General—which, by the way contained a mistake in spelling, such as probably appears on many of these treasured parchments—was surprised, after Sir Sam's death, to receive it from the Militia Department.

Another member of the first Borden Cabinet regarded an exclusively private car as a necessary aid to his departmental efficiency. Soon after being installed he asked us to procure him one, giving his assurance that it would be promptly paid for. This assurance was requested because I knew of another Cabinet Minister who once borrowed a car from the C.P.R. and never returned it, even when he left the Government.

After awhile, and following repeated enquiries from the Minister, reflecting the urgency of delivery, a converted Pullman was ready for him, on receipt of word that the order-in-council authorizing payment had been passed.

The car was kept at Chicago for a fortnight, and was then brought as far as Sarnia and held for several weeks more. The order-in-council was never passed; the car was re-named, and was used for several years by the third vice-president of the Canadian Northern. Many will remember the Toronto.

CHAPTER XIII.

Recounting midwinter episodes of location and operation in empty country.

THE average outsider of railway travail may envy the official who, he thinks, continually revels in the luxuries of a private car; but nobody has suffered the pangs of jealousy because he could not share in some of the midwinter pleasures of the railroading pioneer in a Western Canada which, when all's said and done, is not a banana belt in the earliest and latest months of the year. Between the Lake of the Woods and the Rocky Mountains winter develops more rigours than the poets sing; bracing though it undeniably is, and so dry, before and after prohibition, that you don't feel the cold.

In railway operation some of the more recent mechanical arrangements of trains have made a day on the rail vastly superior to a day on the trail. Engines don't die as often as they did when the Canadian Northern was an infant of days. Perhaps it should be explained how engines go dead, lest some reader be as bare of railroad lore as the director of a famous company was who, going on a trip to England, asked the general manager of his line to prime him with a few interesting facts about the system. If investors and others became inquisitive over there, what would he say?

"Oh," replied the manager, "tell them that we have a fine line with first-class equipment — all eighty-pound rails."

"Good point," agreed the director, "eighty pounds to the mile, I suppose?"

In these days, locomotives are equipped with automatic fire-box doors, which operate without producing the intermittent glare that used to light up the sky at night when the fireman opened the door to shovel in fuel. Then, with the temperature down to thirty or forty below zero, the opening of the firebox door would let in such a rush of air that, if the boiler tubes were becoming thin, they would begin to leak.

Cold air seems to have a faculty of doing damage, even inside a glowing firebox, possibly on the principle which preserves the heat of a ray of sunlight, as it passes through an intensely cold atmosphere, so that it will penetrate thick glass, and warm a room. The leaking tubes put out the fire, or reduce its vehemence so that steam cannot be maintained at driving pressure. The stricken engine coughs herself into impotence, and the train stalls. Only in a roundhouse during weather that begets such a casualty is there hope of resurrection for the dead iron horse.

It has been told how the superintendent of the Lake Manitoba Railway and Canal Company almost lived on the line, nursing business with the solicitude of a mother doing her best for difficult twins. No spacious private car tended to make him feel like a monarch of all he surveyed. The nearest

approach to winter luxury was the stove in the freight conductor's caboose. If the superintendent wanted to make the most of his operating force, he could count some of the section men twice—first as maintenance-of-way men, and secondly as way freight agents at the sidings which, as already remarked, furnished more stops than stations.

One bitterly cold night in February, 1897—our first winter on the baby road - we were coming down from Dauphin to Gladstone and Portage La Prairie, when, as we approached Glenella siding a place whose hopes were linked with the name of Lady Mann's sister—the engine's sighing betokened a probable halt, for which force would be no remedy. Billy Walker, our first and faithfullest engine-driver, was at the throttle, and managed to induce his leaking horse to crawl into the siding. We were thirteen and a half miles from Plumas and from the possibility of wiring to Portage la Prairie for a fresh engine. The other locomotive of the system was at Dauphin. It was thirty below zero in God's free air, and the witching hour of midnight was written on the watch. It was unsafe to sing "We won't go home till morning".

Near the siding was a recently-arrived settler who, we knew, had a team of horses. We roused him and he promised to drive me to Plumas. Sitting in the bottom of a wagon box, set on a homemade jumper sleigh, we drove off, over the trailless snow, with never a star overhead to give us a pointer; the driver saying he knew the way, and his passenger muffled to the forehead, solemn as the grave.

The driver gave signs of being almost as dead as the engine; but as he re-asserted that he knew the way to-Plumas, he was allowed to pursue unquestioned the wiggling tenor of his way across the flat and hoary plain.

Doubt arose in the passenger's mind. Somehow, it seemed that instead of going south-east towards Plumas we were making south-west for Neepawa, and that, after awhile, instead of being on the open prairie we should enter hilly, timbered country where the going would be more difficult, and direction impossible to maintain in the leaden gloom. To my doubts the farmer was indifferent, probably not being awake enough to appreciate what was said. After about three quarters of an hour I charged him with heading for Neepawa, and then he threw up his hands and confessed he knew not where we were.

He was bidden to turn around the team, and let them go where they supposed their stable to be. After half an hour of this exhilarating travel I perceived a red light away to the east, and knew it to be the gleaming tail of the stricken train. We reached it at half-past one. I bade the farmer good morning, asked the conductor for his replenished kerosene lamp, requested him to stay with his train till another engine appeared, and started to walk the ties to Plumas.

Nothing is comparable to a situation like that to make a man rely on his own resources, and to exalt meditation into a consoling art—especially when he finds himself exactly where Moses was when the

light went out. Something special was in the conductor's kerosene-the anti-freeze was frozen. After less than a mile's walk the lamp was as functionless as the helpless engine. Stumbling along, I reached the bridge over the Jumping Deer River, the ties on which were covered with a perfect film of perfect ice. It was soon proved to a demonstration that the foot cannot say to the hand: "I have no need of thee." I am not sure whether the feet and hands did not have to rely more on their neighbours, the knees, than was customary in most spheres of transportation. With the combined cumbrousness and comfort of a fur coat, fur cap, and mitts that would have done honour to Greenland's Icy Mountains, the treacherous trestle was safely and thankfully negotiated; and the hope of Plumas flickered once more in a lonely human breast.

Thanks to a pair of fairly long legs, and the remains of an Original Seceder's faith in final perseverance, I made Plumas station at half past five, woke the agent, wired Portage, whence the Manitoba North Western superintendent sent an engine to Glenella, while I slept until noon in the hotel across the way.

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After twenty-seven years, the adventure looks rather entertaining from the meridian of King and Yonge. Then it was regarded as part of the evening's work—a chore that might have to be done any day of the week—a commonplace which takes a long time to assume the hue of frosty romance.

Comparatively, the zero hours of railway operation are less perilous than their counterparts in the

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life of the constructor who has to spend winter days and nights in empty country, far from his sheltered base. The general local administration of Canadian Northern construction was mainly in the hands of Rod Mackenzie, eldest son of the President. He was not technically an engineer, but had been almost continuously on his father's work since boyhood. I believe he spent some time in the mountains when The Farmer Outfit was building snow sheds for the C.P.R. To my knowledge, he was in charge of contracts from 1898, when the first 125 miles guaranteed by the Manitoba Legislature was completed by extending the line 25 miles from Sifton Junction to Winnipegosis.

Rod Mackenzie was one of the most likeable men in railway service. He had a good deal of his father's remarkable driving force, and attracted to himself a larger quantity of genial companionship. He was a member of Mackenzie, Mann, Limited, though it was not generally known that the firm included more than the two senior principals. My own official relationship was entirely with the railway company, so that I did not come as closely in contact with him as with the chief engineer of the Canadian Northern, who became general manager.

Some day, perhaps, fitting tribute will be paid to the railway engineers who have wrought so magnificently to transform the face of Canada. They scarcely ever seem to think of their work as, in any degree, romantic, or bookworthy. What more prosaic than a blueprint? unless it be a blue-stocking? But what goes into many a blueprint which shows

how a river is to be crossed, or a bridge is to be built?

At this writing, the City of Toronto is concerned over a viaduct along its waterfront, which was the subject of a Railway Commission order ten years ago, and is now the subject of a revision by an engineer of whose highly distinguished career the public knows little. The scheme to build the viaduct east of Yonge Street as originally planned, and to construct bridges west of Yonge, instead of the Moyes viaduct, is the work of Mr. M. H. MacLeod, officially the special consulting engineer of the Canadian National Railways with headquarters at Toronto.

Mr. MacLeod is the quietest man who ever devised a solution for a troublesome and expensive problem. He had no previous official connection with this matter; but, returning in the autumn of 1923 from a trip to Europe, he saw in the press that it was once more eruptive. Without seeing a plan, or knowing more of what was proposed than any non-technical outsider could gather from the newspapers, he walked over the ground, alone, using the eyes and experience of the builder of more miles of railway in Western Canada than any other man, and the deviser of the entrance into Winnipeg of the Canadian Northern and Grand Trunk Pacific railways, and of their great Fort Garry Union Station.

The waterfront scheme as adopted by the Canadian National and Canadian Pacific Presidents is the MacLeod scheme, worked out on his own study

of the problem on the ground. I have been told by one who was present at a meeting of prominent business leaders which discussed it closely, that Sir Edmund Walker, who was there, told his colleagues that he had known Mr. MacLeod for twenty-five years, as an engineer, and his bank would back any scheme he devised up to ten million dollars.

It was one of the constant satisfactions of twentytwo years out of twenty-six of a Canadian Northern and Canadian National railway experience to be a colleague and friend of Mr. MacLeod, as it is one of the deepest pleasures of a period of reminiscence to draw upon an episode of his service of the Canadian Northern which, on the whole, I think, typifies, better than any other that comes to mind, the quality of that distinguished service.

MacLeod is a Hebridean, from the Isle of Skye. He came to this continent as an infant, and went to school mainly in the United States. His early engineering experience was gained in the vicinity of Toronto. He has recently told of his first meeting at Kirkfield with Sir William Mackenzie, over forty years ago, when he was sent to look over the country through which it was proposed to build a railway from Lindsay to Bracebridge. He was working on the Superior division of the C.P.R. in 1883. He built the line up the east shore of Lake Temiskaming; and was in charge of construction in the Crow's Nest Pass.

MacLeod became chief engineer of the Canadian Northern in the spring of 1900. We had the line from Gladstone to Erwood, on the way to Prince Albert, with a branch to Grandview, westerly from Dauphin. We also had the South Eastern, on which the Muskeg Express hauled firewood to Winnipeg from the Lake of the Woods. When MacLeod came to us from the C.P.R. our mileage was 600. Before he asked for relief, from strenuous duty his jurisdiction as Vice-President of the National Railways, in charge of construction, covered over 17,000 miles.

So far as the scheme for a main line connecting Winnipeg with Edmonton had been developed in 1900, it was intended to make the route via Prince Albert. MacLeod's view was that a really big line must be built where the C.P.R. main line had first been projected; and that our track from Grand View should be extended to where the old and still used telegraph line to Prince Albert from Qu'Appelle ran from the station at Humboldt towards the South Saskatchewan River, fifteen miles north of and below Saskatoon, then a little station mainly used for traffic to and from Battleford, the former capital of the North West Territories, eighty miles from any railway.

During the summer of 1901 it was determined to prospect the route from Prince Albert to Edmonton, and also to apply for a charter for a main line to be built from Grand View via Humboldt and the Battleford country, keeping to the south of the North Saskatchewan River west of Battleford. While the preliminaries of the application to Parliament were proceeding in the East, MacLeod was

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to find river crossings—one of the South Branch, about fifteen miles below Saskatoon, and such crossings of the North Branch, in the Battleford country as might seem desirable.

So, on December the fifteenth MacLeod and C. R. Stovel, our right of way man, who was married to a half-sister of Sir William Mackenzie, drove out of Prince Albert to prospect a line to Battleford and beyond, and to locate crossings. To-day a branch line connects Prince Albert with North Battleford, and covers almost precisely the ground that MacLeod and Stovel examined in very hard weather. Very few people were in the country; but it was possible to find a stopping place every thirty or forty miles. They carried their own bedding, mainly of rabbit robes. They came through the wooded country to Shellbrook, then through the Thickwood Hills, traversing parts of two Indian reserves.

A settler with whom they stayed told them he hauled his grain eighty miles to Battleford — a three days' journey. They came round the north of Redberry Lake, and after dark on Christmas Eve were descending the slope to the North Saskatchewan River about where Brada now is. They could see the dim lights of the old capital, across the valley, on the tongue of land just above the confluence of the Battle and Saskatchewan rivers. Between untrailed snow and tired horses, it was nine o'clock before they reached the town, intending to rest the team over Christmas.

Battleford's Christmas joy did not please them; and at noon they decided to pull out and look for a crossing up the river. The original C.P.R. survey was kept south of the North Branch, to take in Battleford. But MacLeod had learned that this meant crossing twenty lateral streams, with expensive bridging of each, and most of them on land that was too slippery to afford comfortable economical safety. His idea was to make two crossings of the North Branch, one near the Elbow, where the great current sharply changes its direction from southeast to north-east, and the other above Battleford—which has been done advantageously from every point of view, as everyone knows who is familiar with the country on both sides of the river.

Christmas Day, then, MacLeod and Stovel'left Battleford. Twenty-five miles west was Bresaylor postoffice, their objective for more information. The postmaster was Mr. Taylor. He and his neighbours, Bremner and Saylor, had trekked all the way from the Portage Plains, looking for a good location, and had settled thus near the great Saskatchewan because the country was the most like the Portage Plains they had seen. The postoffice name was a compromise—the first syllables of Bremner, Saylor and Taylor, as the Canadian National time table of to-day discloses.

But what about the river valley to the west, which must be explored for many miles for a suitable crossing? Beyond Bresaylor the only habitation was a shack in which two boys were living while wintering Bresaylor cattle on hay which had

been put up during the summer, near the Big Gully; the tributary beyond which it was not desirable to bridge the Saskatchewan. The shack was about thirty-five miles west by north of Bresaylor, and almost straight north of the present town of Maidstone. A trail to it was visible in the deep snow. But it had scarcely been travelled, and the going was heavy, and slower for horses than a used road was for a walking man.

The two pathfinders spent Christmas night in Bresaylor postoffice. All next day they drove for the shack. Darkness fell with no indication of dwelling or cattle. For five more hours the weary team was driven over the scarcely discernible trail. Between nine and ten o'clock MacLeod and Stovel stopped, intending to endure the cold of a very bad night, in the petty shelter of a poplar-and-willow thicket. As they were making ready they heard a bark—it was the ranchers' dog; and comfort and food for men and beasts were assured.

Next morning the search for a crossing must be made by MacLeod alone. There was no way of getting the team and sleigh through the river bottom, two hundred feet below the plain. Off the ice the bush, brush, tortuous banks of the stream, and drifts of snow would make the travel tediously slow. Driving on the ice was impossible. Where the current was extra-swift—and the Indian name of the Mississippi of the North means "Swift-flowingwater"—the ice was far too thin to carry anything as heavy as a pair of horses. So, Stovel must drive along the southern edge of the river valley for, say,

fifteen miles, and watch for his chief coming down the ice. Then he could keep pace with him, for a meeting at dusk, and Bresaylor could be made for the night.

MacLeod left his fur coat with Stovel, and taking a couple of bannocks for lunch he travelled in moccasins and a heavy pea jacket. The day was intensely cold. Speed was doubly of the essence of the programme—to cover the ground in the time allotted, and to keep from freezing. At the turn of the year, in the Battleford latitude daylight is done about four o'clock.

Once more, the day's work seemed commonplace enough to the men who did it. From fireside and radio, twenty years afterwards, it looks what it was - a daring adventure, in an empty country, with a temperature that made lonely human travel more hazardous than most people ever know, and the possibility of a blizzard starting without warning, to the extremest risk of life and Indeed, only a few days after MacLeod all alone, with a walking suit, two bannocks, a box of matches, a compass and a jack-knife, his only exterior defenses against disaster, hurried down the valley looking where to place an imagined bridge, a C.P.R. engineer named Bass, who was making a trial line for the C. P. R. below Battleford, was frozen to death quite near his camp.

MacLeod strode over the ice till noon, seeing no place where a railroad might advantageously be brought down the north bank, a bridge built over the wide current, and conducted up the southern



escarpment. He ate his bannocks, resting long enough to be warned by Thirty Below that further repose was impermissible. He trudged again till three o'clock, and then, tired enough, he sat on the ice for a smoke. Seeing Stovel and the team, on a bare knoll, overlooking the vale, about three miles behind him, he assumed that all would be well.

He resumed his walking; and as dusk was falling began to leave the river bed. But a wolf's bark, which seemed to give notice to a pack, warned him to keep somewhat longer on the ice. When he did climb up a partially wooded ravine, and reached the top, the seeing was not good. Evidently he and Stovel must each be searching for the other's tracks.

MacLeod found nothing, and being very weary, and among bluffs where dry wood was, he tried to light a fire. The wind, which was moving the snow in the wreathing gusts which every driver and walker over the uncharted wintry plain knows so well, prevented any such consolation, and the cold prohibited a stop in one spot for more than two or three minutes. So MacLeod walked for warmth in the darkness, searching as well as he could for a sleigh track, and finding nothing, and bearing eastward towards Bresaylor. At last he came to a fence, and vainly tried again to make a fire.

The night before, Stovel and he had been saved by a dog. Providence was again to use the friend of man; for, as the isolated engineer was in motion to avoid being frozen stiff, and was longing for the moon to rise so that he could read his compass, a dog barked; an indubitable dog. In a little while MacLeod was inside a house, the good lady of which set food before him.

Stovel had been there about two hours before, very much excited, and saying that he had lost sight of his friend, and failed to find him. Afraid something was amiss on the ice, he had gone to Bresaylor for a fresh team, and human help.

An hour later there was a knock at the door—it was Stovel and the postmaster's son; and all was clear for another night alongside Her Majesty's mails.

Next morning the examination of the riversides was continued, the team again following the Saskatchewan's southern skirt. About nine miles above Battleford, in the afternoon, MacLeod reached the mouth of a wide and wooded ravine, which seemed to offer prospect of the only good crossing he had seen in a tramp of nearly fifty miles.

While he was exploring the ground, he saw Stovel above him, making all sorts of frantic appeals for company. Thinking that some calamity had befallen, MacLeod abandoned his job, to render aid to his distressed and distressing colleague. Nothing was the matter, except that the solicitous Stovel was afraid MacLeod would stay too long below; and he himself was determined to run no risk of recent history repeating itself with a dog's bark.

The two drove into Battleford, and stayed at the hotel then kept by Albert Champagne, who became Battleford's first mayor three years later, sat a term in the Assembly of the North West Territories, and was M.P. for Battleford from 1908 to

1917. Next day the team of horses rested; but the team of men sought no repose. They walked up the river to the ravine where the search had been stopped overnight. The site of the great crossing was there and then determined. Stovel used to say he never walked so fast, in snow or out of it, all his life, as he did on that eighteen mile trip before dinner. Twenty years ago MacLeod was in splendid condition, and a terror to go when his walking mood was on. Stovel had a notion that MacLeod was giving him a silent admonition not to repeat the fears of the day before. Stovel was a good guesser.

On the same trip the Elbow crossing and the one on the South Saskatchewan, at Clarkboro, just east of Warman, were located. On the best available information Armstrong's surveying party was working on preliminary surveys for a bridge about thirty miles below the Elbow. But as soon as MacLeod had found the crossings that best met the demand for economical grading and bridging, and for good farming country alongside the location, he drove to Armstrong's camp, and moved the party south, up the valley.

It was the fifteenth of January when MacLeod and Stovel forsook their horses for the train, after a full month of hardship which they didn't regard as hardship. Indeed, if MacLeod sees this account probably he will wonder why so much has been made of so ordinary an expedition.

The transference of Armstrong's party contains the genius of MacLeod's genius. The information

that took them thirty miles below the Elbow to survey a crossing was the best information available—until MacLeod himself looked over the ground. What his unassisted eye discerned, the blueprints, the finished bridge, the grades and the daily trains confirmed. It would be the same in Toronto.

My old friend and colleague is a born, incurable, unconquerable pathfinder. We proved it over and over again. He would go out to look for country well adapted for settlement, and a settlers' railway, and not only find what he wanted, but on the way would discover some improvement in his staff's locations of other lines that saved thousands, and sometimes hundreds of thousands of dollars in construction.

From the interior of our organization, it has been extracted by a faithful memory that MacLeod was later than he expected, returning from an observatory trip in this same Battleford country, where outfits were waiting to begin grading. The few days' delay meant changed locations over fifty miles of track, on the strength of his overlook of other men's conscientious and able work. They had the efficiency of training. He had the insight of genius. In instance after instance the stakes that were driven on his observation were found to be in the very spots where the precise levels determined the final location.

One who has been chiefly devoted to operation does not regard himself as an authority on construction. But, in a long generation of experience one learns something of the fundamentals of rail-

way engineering in a country as vast as ours. For finding a road and for building it with the least possible expense and the greatest possible efficiency MacLeod may have had an equal, though I have never met the man who met him. MacLeod certainly has had no superior.

The winter of 1906-7 was one of the worst in western railroad history. It didn't linger in the lap of spring; it pushed the spring out of its place. Long after the time for the singing of birds had come, an extra-special sleetstorm covered one section of track with so thick a glaze of ice that the only way to get trains over it was to pickaxe the ice from the rails.

Immigration was at the flood that spring. Cities and towns everywhere were preparing for big construction programmes. Something of a blockade was inevitable; but a breakdown in one part of our organization let us into more trouble than honest men deserve. An effort was made to clear up a congestion that was worsening every day, by picking out from as many congested sidings as possible, cars that were most urgently wanted, and making up special trains to meet special urgencies. The result was congestion worse congested, because it took longer to segregate the cars required than to move the whole multitude. Our bill for per diem charges on foreign cars held by us was appalling.

When our interior trouble was fully understood, primarily as the outcome of Mr. Mann and the third vice-president going to Winnipeg to probe the situation, we changed the managerial method, put our

superintendents and men on what may be called a course of inter-emulation; with ten days as the time set for abolishing the blockade.

In eight days all was clear, through a zeal on the part of the whole staff which was beyond praise, and almost beyond belief. I never saw such a mess, or such a recovery. In fourteen days the Northern Pacific at Emerson was shouting for us to dam the tide of empties that was flowing back to their American owners.

M. H. MacLeod as general manager, without relinquishing his other post. There was, of course, some outside surprise at so unusual a fusion of offices. It was even said that MacLeod hadn't force of character enough—by those who did not know what can come from the lone sheiling of the Hebrides. But MacLeod was all there, all the time and all the way. He was sometimes like electricity—hardly noticeable till you touched him. He seldom kicked; but when he did there was no misunder-standing the stroke.

Shortly before he died Sir William Mackenzie was asked what he thought of the revised Toronto viaduct scheme. He replied that of course it should go through, because it was MacLeod's; and being MacLeod's the saving of millions, which it showed on paper, would be a saving of millions on the contract. Sir William's latest estimate of MacLeod was only in keeping with long experience. He may not have kept them as Major Rogers kept the C.P.R. cheque, but he was given more than

one letter by Sir William, signing as President of the Canadian Northern, authorizing him to spend on betterments sums running beyond seven figures, on his sole discretion and authority. Similar instances of executive confidence may be recorded elsewhere, but I scarcely think so.

The quality of the railway pathfinder is essentially the same whether he walks alone, in the depth of winter, on Saskatchewan ice, looking for a place to build a steel bridge a thousand feet long, or whether he is poking around a waterfront littered with shipping warehouses, and considering how to get twenty trains an hour into and out of a station. It works with a seeing eye and a building hand. MacLeod has them both. He is in his own class; but he is of a great company of engineers to whom ungrudging tribute is richly due, and too seldom paid.

CHAPTER XIV.

Reciting events, the Great War being chief, which destroyed the Canadian Northern.

OTHING in North American transportation quite equals the rise and fall of the Canadian Northern. Those who were intimately associated with its twenty-six years' history scarcely realized the extent to which Mackenzie and Mann were unique among the roadmakers of all the continents. For the accumulation of wealth, and also for the domination of railway systems of huge mileage, James J. Hill was in a class by himself. He died worth sixty million dollars-without a will. He obtained vast riches through the iron ore deposits of the Mesaba range, in the Minnesota hinterland of Lake Superior-there was nothing like it in Canada. His railways connected Chicago with the cities and plains of the United States northwest, even to the Pacific Ocean. His ships sailed to Nippon and far Cathay.

Sir William Mackenzie and Sir Donald Mann made no enormous fortunes out of the railway they built from Atlantic to Pacific tidewaters. But they performed a feat which no American combination ever achieved. Their enterprise was more original than anything which Hill carried to profitable result; for they began beyond where Hill, and even the Canadian Pacific, had left off. Indeed, Hill pulled out of Canadian railway building rather than share responsibility for the first line on Superior's northern shore.

Mackenzie and Mann's original railway carried settlement a hundred miles north of the line beyond which implement manufacturers had refrained from extending their credit. They went, not only where railway obligations had not gone, but where, aforetime, railway obligation was afraid to venture. They looked ultimately to great fortune for themselves—there has never been any pretense to the contrary. But they had in them infinitely more than a lust for pelf. The first justice that is done to these two men is a frank recognition of the pioneering, constructive passion which made of them great Canadians.

Ambition that was all self-sacrifice never braced a continent with steel. The money changers do not open the purse of Fortunatus to Simon. Pure altruists. Railways must be carried to completion on the financial engines that are available to mundane men. The Canadian Northern was brought into being because the time had come when more than the C.P.R. was needed in Western Canada. It is not good for a railway to be alone in so broad a land. The combination that had grown out of a contest over the ownership of a corral-full of mules away up in the Selkirks was the ordained instrument to prove that an impossible piece of work could be done.

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Sir William Mackenzie, in his favourite car, the Atikokan—which was bought while it was being used by Admiral Dewey on his triumphal tour—was discussing with a guest one night in 1905 the prospects of the Canadian Northern, which had not yet reached Edmonton. His inveterate optimism then believed that Hudson Bay would be reached within three years. Asked if he had ever been to the Bay he answered:

"No; I haven't been to Sao Paulo, either; but I've taken a million dollars out of there within the last three years."

He told of having received an offer from the Grand Trunk to buy the Canadian Northern at the time the Grand Trunk Pacific scheme was brewing, and of refusing it, though there would have been millions of dollars in it for himself and his partner.

"Why didn't you sell out?" his guest asked.

"I like building railroads," was the simple, truthful, profound answer.

The money-grubber doesn't talk that way. He doesn't act as Mackenzie and Mann always acted.

Many of us, who never had personal control of millions of dollars, and to whom a moderate fortune is a hunger to be eagerly appeased, and a divinity to be constantly adored, cannot conceive of the possession of money being a mere adjunct to those who do great things through their capacity for changing other people's money into enormous vehicles of commerce.

The money-making side of Mackenzie and Mann, the Canadians, was, if you like, what the penchant

for fussing with detectors and amplifiers is to the He's after the result—the miracle of radio fan. the perfectly reproduced voice, singing a thousand miles away. He cannot get his result by being indifferent to the peculiarities of the squeal that precedes the tone.

Mackenzie and Mann could not have built and, acquired approximately ten thousand miles of railways by preaching altruism and despising the money market. They could not have done it if their sole propulsion came from love of money for money's sake.

As construction contractors they would have piled up huge profits; and would have got out when the getting was good. As this is written the Mackenzie estate is being realized for the heirs. Without knowing anything of the details, I think it can be predicted that the popular notion that Sir William piled up fabulous wealth out of the opportunities furnished by Government guarantees, and construction contracts let to himself at his own price, will prove to be as vain as some of the other current delusions about him.

From time to time, base and baseless charges were made to the effect that moneys raised in London for railway construction were used for other purposes, and that excessive contractors' profits were selfishly provided for. Two grosser libels were never perpetrated. The first is merely absurd. The second is almost equally so when the costs of construction per mile of the Grand Trunk Pacific and National Transcontinental and the Canadian Northern are compared.

It has already been suggested that the Canadian Northern was not conceived as a transcontinental railway, with the beginning of the Lake Manitoba Railway and Canal Company's line between Gladstone and Dauphin. The scheme, as a scheme, growed, with Topsy-like inevitability. Before it could finally prosper it was perforce surrendered to its chief guarantors by its authors. It is not necessary to wait for Time's final justification, in dollars and cents, before the nation understands its essential magnificence—and also the extent to which another sort of ambition in the political and railway worlds contributed to its temporary bafflement.

To judge it broadly, and surely, the first requisite is an appreciation of the prairie factor in any Canadian transcontinental railway. The reports and maps of forty-five years ago show the C. P. R. main line originally projected across territory, every mile of which, between the Red River and the ascent to the Yellowhead Pass was first given a railway by Mackenzie and Mann. In less than twenty years the Canadian Northern, developed from a pioneer piece of track, operated, in all departments, by a force of fourteen, into a system which, during the war, was running trains into centres of one thousand population and over, representing ninetyseven per cent, of the populations of Manitoba and Saskatchewan and ninety per cent. of the population of Alberta.

In 1915-16, the traffic year of the most prolific crop the West had ever grown, the Canadian Northern hauled 132,000,000 bushels of grain to Port Arthur from the prairies. We were then in the pinch of the constriction which finally brought about national ownership; and insufficiency of equipment caused us to lose a good deal of our share of the grain traffic.

Even so, although the C.P.R. had every advantage, including its double track all the way between Winnipeg and Fort William, and nearly all the way from Winnipeg to Moose Jaw, we hauled 31.1 per cent. of the total, against the C.P.R.'s 56.3 per cent., and 12.6 per cent. of all other lines.

Deferring allusion to the controversial question of the wisdom of projecting two new transcontinental railways in the first decade of this century, it is worth while glancing at the Canadian Northern's relation to the growth of the nation's business as affected by the construction of the sections north of the Great Lakes, and across the mountains to Vancouver.

Each of these sections is a timbered area; and each has contributed materially to the distinction earned by the Canadian Northern, of being the greatest Canadian carrier of forest products. Thirty per cent. of the capacity of all the lumber mills of Canada was on Canadian Northern lines. Thirty-two per cent. of the traffic created by Canadian lumber mills was water-borne; so that the C.N.R. competed for just about half of the rail-hauled lumber business of the country. Taking 1915-16 as a

representative year, here are the figures of lumber hauled by the three great Canadian systems:

Canadian	Norther	n			.3,883,7391	ons
Canadian	Pacific				3,832,163	"
Grand Tr	unk and	Grand	Trunk	Pacific	2,297,925	,,

During 1917, the last year before nationalization, we hauled 3,850 cars, or eighty-five million feet, of lumber up the Fraser Canyon and over the Yellowhead Pass. The timber on territory tributary to the Canadian Northern main line in British Columbia was then figured at 30,380,000,000 feet; and on Vancouver Island, between Victoria and Alberni, at 25,000,000,000 feet.

While my own work was in the operating and traffic departments, it was, of course, concerned with the fundamental features of the system as a whole. Grades are as much a part of traffic as cars and cargoes. When we began to emerge as a potential transcontinental, what was the outlook for ultimate prosperity, so far as it would be governed by ease of operation, and the magnitude of population to be served?

Ease of operation is mainly a matter of low grades. The Canadian Northern main line from Atlantic tidewater to Pacific tidewater has better grades than all the other railways on the continent. The mountain sections, of course, are the most eloquent of grading advantage or disadvantage to the railways crossing them. The importance of low grades between the prairies and the Pacific was immensely enhanced by the Panama Canal, which has already made Vancouver a great grain port. The

Canadian Northern maximum climb between Edmonton and Vancouver is four-tenths of one per cent., or twenty-six feet per mile. The Grand Trunk Pacific grades are almost equally good, but as they lead to Prince Rupert, 400 miles farther than Vancouver from the canal, the balance of advantage is obvious, as between the two junior routes.

The C.P.R. was first projected to reach the Pacific through the Yellowhead Pass, which is by far the best for railway purposes between Mexico and the Yukon. But the main line location being changed, two climbs over summits were necessary before the long descent to the ocean down the Thompson and Fraser rivers could begin—over the Rockies, at the Kicking Horse, and over the Selkirks, by the pass Major Rogers discovered, forty-three years ago. The maximum altitude reached by the Canadian Northern is 3,700 feet. The maximum of the C.P.R. is 5,332 feet, with a drop to 2,443, and a second rise to 4,340 feet.

The maximum Canadian Northern grade eastward is seven-tenths of one per cent. The C.P.R. maximum is two per cent—it was over three during thirty years of operation. Put another way, by the time you are twenty miles beyond Calgary on the C.P.R. you are as high as the highest summit of the C.N.R., and on the C.N.R., instead of having to rise a further 1,600 feet, and then to climb in a few miles, 1,900 feet more, there is only a negligible second rise to get over the watershed of the Canoe and the North Thompson rivers, whence the road to the Pacific is downhill.

The contrast between the Canadian Northern and the more southerly American roads is even greater. The Union Pacific switchbacks to a maximum of 8,200 feet, and the Sante Dé to 7,421 feet.

The difference made by the grades to operating costs can be judged by the difference in the load which an engine can pull up a four-tenths and a one per cent. grade. Up twenty-six feet to the mile—four-tenths—a 190-ton locomotive will haul 3,768 tons. Up sixty-feet per mile—one per cent.—she will drag only 1,780 tons. The disparity increases with the acclivity.

The Canadan Northern, then, had the elements of a great permanent success, given enough tributary population creating traffic to earn expenses and fixed charges during the earlier operating years. That there was calamitous overbuilding of Canadian railways nobody will deny. To attempt to fix responsibility for it might invite a certain degree of political controversy which no lover of a quiet life desires. This is a strictly moral tale, and a few facts will point out their own moral.

In 1904, when a general election solidified the Grand Trunk Pacific legislation, the Canadian Northern had already in existence 2,500 miles beyond Port Arthur, all aiding the Western development which was absolutely vital to Canada's future. This railway was altogether a native growth, the executive force in which had been concerned with Western railway construction since before the first locomotive entered Winnipeg. There was no imposition from without—no grandiose scheme in-

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tended to dazzle an electorate, or fill a Parliament with swelling pride. The Canadian Northern grew in Time's own fruitful womb; and struck its roots deep and wide all over the Western land.

From the point of view of the prairie provinces' development, the nicer problem of the wisdom of hastening the Superior and Mountain sections may be put aside momentarily by this question: "What would be the relative positions of the two junior railways if their revenues depended solely on traffic originating between the Great Lakes and the Great Mountains?"

In different terms, the question is: "How do the old Canadian Northern and the old Grand Trunk Pacific compare, twenty years after the Grand Trunk Pacific was launched, as servants of the country, which is the only reason for their existence?"

Every commercial traveller who knows the West, and every superficial observer of the flow of grain to the Lakes' head, is aware that years and years before the G. T. P. hauled its first car of wheat into Fort William, the Canadian Northern avalanche of grain converged upon Port Arthur from branches which appeared upon the map like the fingers of a hand.

In the year of the first G. T. P. car's arrival at Fort William the Canadian Northern earned nearly twenty-one million dollars. If the Canadian Northern had remained a prairie road, doing business only between the Lakes and Mountains, it would never have been in Queer Street, but would

have more than paid for operating costs, fixed charges and betterment requirements out of revenue, because it was the West's own product to meet the West's own needs.

Neither as a prairie road, nor as a prairie-andmountain road has the Grand Trunk Pacific ever earned its operating expenses. The only section which has shown more earnings than ating expenses, is the line between peg and Fort William, which was built as the National Transcontinental. That result has only been possible to this piece of line because Canadian Northern traffic is handed to it at Winnipeg, under the co-ordinating arrangements without which for many years to come the Grand Trunk Pacific, which was built at unprecedented expense per mile for a pioneer road, would resemble nothing so much as the seven lean kine of Joseph's immortal dream. To a large extent the former National Transcontinental is being used as the old Canadian Northern harvesters' second track between Winnipeg and Lake Superior.

Why, then, did the Canadian Northern fall, and two great builders with it? The obvious but misleading guess is that the prosperous middle was bankrupted by the lean and voracious Montreal-Port Arthur and Edmonton-Vancouver ends. Ambition o'er-leaped itself and met the fate excessive leaping invites. The man who is a better biter than chewer will always choke. The guess and comment are plausible—much more plausible than what I believe is the true explanation of the debacle of

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Mackenzie and Mann, which was, finally, the war. There were other contributing causes, of course, but the real overwhelmer was Armageddon.

Few men seemed to realize in 1911 and 1912 that the period of swift expansion which had given prosperity to all sorts of businesses in Canada was about to conclude. Hindsight is proverbially better than foresight. It is easy, even for statesmen, to realize now, that there had been too little increase in the basic productions of agriculture, and too much addition to manufacturing and other plants which could only flourish permanently on a constantly expanding fruition of the soil, along with steady development of forest and mining industries.

Sir George Paish, editor of "The Statist", after a tour of Canada before the war, said that we had furnished ourselves with plants capable of taking care of three times our then production from natural resources. Immigration was flowing too much to cities and towns. Free land was becoming comparatively scarce, and even in the prairie country sixty-five per cent. of the immigration was keeping off the farms. Early in 1912 the Government was warned in its Special Commissioner's Report on Immigration that the basis of its immigration

nto scientific land settlement.

fall of 1912 signs of an approaching conon of C.N.R. earnings began to appear. The
Superior and Mountain sections were under way.
The London money market, partly through conditions caused by wars in the Balkans, was not as

responsive as before. Dominion and Provincial Government guarantees did not now ensure the immediate sale of securities, at the most favourable prices. In the spring of 1914 application to Parliament for special assistance became imperative.

We had been able to meet all fixed charges out of revenue every year since 1897. Connection of Toronto with Port Arthur around the north of Lake Superior had been made on the first of January. But, with a diminishing immigration and a slackening of employment in the cities, it would take time to win for this part of the system between older and younger Canada, a traffic commensurate with the proportion of the total trade between East and West which the Canadian Northern had created. Even to-day, the old Canadian Northern originates heavy East-and-West business for other railways.

The British Columbia lines, which were being constructed at a speed and an economy that was possible only because of the long experience of engineers like M.·H. MacLeod and T. H. White, were bound to cost more than the amounts of any Government guarantees. It had become necessary to finance some construction by short term notes, at a higher interest than guaranteed securites called for. Application was, therefore, made to the Government at Ottawa for guarantees amounting to forty-five million dollars, to enable the road to be finished between Quebec and Vancouver.

Sir William Mackenzie, who always handled financial business at Ottawa, was turned down flat by the Government. But, as Sir Donald Mann says, a refusal never meant any more to him than a spur to persistence in advocating his cause. After much labour in placing the facts where they could be appreciated, the aid was promised. Against considerable opposition, in the late spring the legislation was passed and Sir William went to England to raise the money.

He succeeded in placing a substantial proportion of the securities with a great financial house. A first issue of three and a half million pounds was taken by the public, less than three weeks before the formal declaration of war against Germany. The financial house did not repudiate its bargain, but there was no prospect of raising money in London for Canadian railway construction in August, 1914, or subsequently, during the war. Indeed, the British Government prohibited any issue of any description from any of the Dominions, while hostilities lasted.

It would have been unwise to stop work in Canada because of a war the duration of which was not foreseen. Though we were restricted in pace, construction went on, the money for which was obtained in New York, through more short term notes, with the securities unsold in London as collateral. Guaranteed as the collateral securities were, they could only realize about sixty per cent. of their face value. This and the higher rate of interest, had the effect of considerably raising the cost of capital required for construction.

When, to inaugurate the linking of Quebec and Vancouver by the Canadian Northern, an excursion

of Parliamentarians from the St. Lawrence to Burrard Inlet was arranged in the fall of 1915, it was clear that New York must be permanently drawn upon, if the situation, believed to have been finally saved at midsummer, 1914, were not to descend into disaster.

Sir William Mackenzie, at an age when chiefs of the C.P.R. retire on their highly deserved pensions, faced a heavier task than anything that confronted Stephen, Smith, or Van Horne in the C.P.R.'s most trying period. The Canadian Government, with London still an inexhaustible reservoir, was the C.P.R.'s last and safest resort. Mackenzie saw a world war engrossing every energy of the Dominion, and rendering London financially impotent to him, For sheer tenacity, for courage which attacked the most formidable obstacles without a quail; for capacity to bring things to pass, I think Canada has not yet begotten his equal. The marvel is, not that he and Sir Donald Mann could not finish all that they had begun; but that they carried it so nearly to the triumph, hope of which had been like a pillar of cloud to them in the days whereon the multitude applauded, and a pillar of fire in the night of difficulty such as they had endured when the non-Canadian was preferred before them, and when the panic of the fall of 1907 smote North America.

Beginning as an unknown venturer into Lombard street, Sir William Mackenzie had brought to Canada over three hundred million dollars for Canadian Northern Railways, which had made possible

an amount of development of all kinds, the subtraction of which from Canada's economic content today would leave the nation poor indeed. But, while this was happening, the star of Canada had been in the ascendant, and it seemed that British money had at last developed an unchangeable westward impetus.

There seem to be investment flows and ebbs in the affairs of men. They are without the regularity in time, but they have the variability in volume of the Bay of Fundy tides. One recalls periods wherein there was either so little opportunity or inclination to proceed with the development of the earth's natural resources that, as an old London friend said, a man with a hundred thousand pounds to lend could take it down to the City, and not earn enough with it to buy his lunch. There is, no doubt, a psychological explanation of the accession and diminution of fiscal confidence in times of peaceful commerce undisturbed by the threat of war. There is also a partial accountability for the turning of capital into this or that channel of increase. It is the tendency of investment to overplay its hand when the habit has grown of putting faith and cash into a particular species of enterprise.

During the first period of Canadian railway expansion following the Crimean war wheat in Ontario went up to two dollars a bushel. Real estate in towns like Whitby and Ingersoll rose to the fabulous price of \$300 per foot frontage—the selling value of land on Jasper Avenue, Edmonton's greatest thoroughfare, when the Canadian North-

ern approached from the East, and the capital of the infant Alberta had been set up there. Van Horne's faith in the empty West was based on the fertility of its soil and the certainty that the United States would soon fill sufficiently to create a demand for more northern lands." But that expectation would be fulfilled—or its fulfilment accelerated—when shrewd men would induce capital to flow into the virgin terrain. The C.P.R. had the tremendous task of pioneering with steel across the Canadian plains. The northern areas of Manitoba, Saskatchewan and Alberta awaited an equal, indeed, a more daring enterprise. Mackenzie and Mann were the all-Canadian instrumentalities for the adventure. They must obtain capital through London.

Representation there was a vital concern, seeing that it was not proposed to hand control of the great enterprise to directors who knew no more of Canada than was known by the English administration of the Grand Trunk. Absent treatment was no part of the creed of the two boldest Canadians of their time. The financial representative was found in a man of extraordinary mentality and financial genius, Mr. R. M. Horne-Payne. His services to Canada are really registered in the creation of vast agricultural regions out of solitude, and in the firm establishing of communities, from quiet hamlets to rushing cities, where the highest amenities of civilization have succeeded the wandering buffalo, and have substituted the sawmill for the towering pine.

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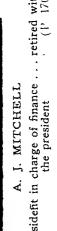
The final reliance for Canadian railway expansion was of course, the comparatively small British investor. But, with so many opportunities to place money all over the world, this multitudinous host could not be depended on to produce, at a day or two's notice all the money that was required to build a thousand miles of track from Pembroke to Port Arthur. Rushes to gold and silver camps have no counterpart in railway building spread over many years. To windward of the small investor, there must, therefore, be anchorages in the deeps of underwriting.

The railway requires, say, fifteen million dollars for a certain range of construction. Experience has shown that the wide advertising of an issue in the British money market usually brings at once subscriptions of from thirty to forty per cent. of the money required. Great financial houses must be found to guarantee purchase of the whole issue; they, in turn, retailing the securities as the demand The retired colonel, who takes for them continues. five hundred pounds' worth of Government-guaranteed debenture stock on to-day's advertising, will be ready for more at midsummer, when he gets what he wants from his broker—and that is how. issues are absorbed, when they are not all snapped up as soon as they are offered.

5

The financial representative of the swiftly-growing Canadian Northern required, then, three outstanding qualifications—first, great and sincere faith in Canada's immediate future; secondly, capacity to impart his confidence to important under-





"A man of extraordinary mentality and financial genius" (1', 243)

"Vice-president in charge of finance . . . retired with the president (1' 170)



writers; and thirdly, a sound judgment of the temper and capabilities of the investing class whose response is the primary justification of the underwriters' confidence. Mr. Horne-Payne, in a degree, that can only be appreciated by those who have worked with him, has these qualifications—the proof of which was the British investment of over three hundred million dollars in the Canadian Northern, during his representation of it.

One illustration only of his faculty can be given. A friend saw him at his house in Brentwood, Essex, early one autumn. "I have just come in aftermotoring from Buxton, where I have had a short holiday," said Horne-Payne. "We passed through Leamington. I think I can get about three hundred and fifty thousand pounds out of the town next winter." The records show how accurate his forecast was.

The war changed all that. With London closed to him, the indomitable Sir William, who never parted with his nerve, found in New York a combination which was willing to consider seeing the Canadian Northern through, by taking care of the millions of dormant securities that must become active, by paying off the short-term notes; and by furnishing the funds necessary to raise the system to a standard worthy of its Dominion-wide theatre of operation.

While we hung on to the job of making the best of a heart-breaking, never-ending crisis, which even the delusive gains of the war could not mitigate, the New York syndicate invited Mr. E. E. Loomis, now

President of the Lehigh Valley Railroad, and Mr. J. W. Platten, President of the United States Mortgage and Trust Company, of New York, to report on the value of the property. These gentlemen, in turn, appointed Messrs. Coverdale and Colpitts, two Canadians of high standing in the engineering profession in the United States, who had been conspicuously engaged in railway and industrial valuations, to examine thoroughly the physical features and contributories of nearly ten thousand miles of Canadian Northern railway.

A year was spent on this investigation. But, while it was going on, the Dominion Government, in view of the perilous condition of the old Grand Trunk, as menaced by its offspring, the G. T. P., and of the utterly hopeless position of the National Transcontinental, which the Grand Trunk had refused to take over, appointed a Royal Commission, consisting of Sir Henry Drayton, chairman of the Dominion Board of Railway Commissioners, President Smith of the New York Central lines, and Mr. William Acworth, an eminent British railway economist, to report on the whole railway situation of Canada. No criticism is due the Government for this action, in view of its commitments to both junior transcontinentals.

Early in 1917 the Coverdale-Colpitts report was printed. It absolutely justified the broad policy on which the Canadian Northern had been built; and there was good reason to expect that the New York syndicate would participate in Canadian Northern responsibilities. But on its heels came

the Drayton-Acworth report, recommending nationalization, and the Smith minority report, demurring. No syndicate in the world would have committed itself to heavy financing of a great railway system, under such conditions. The New York people held off. We held on, but with only the scantest chance of coming through the war corporately alive.

In the end the Government assumed control of the Canadian Northern congeries of railways. The alternative was a receivership and reorganization, in which the guaranteed securities would have to be honoured by the Governments concerned; and the unsecured investors would have to take their meagre chance of full salvation. On the whole, perhaps, the best interests of the greatest number were best served by what was done. But if Mackenzie and Mann had been merely bent on self-service they might have come more profitably out of a formal Canadian Northern bankruptcy.

They held almost all the capital stock. Their position would have had what Grand Trunk junior shareholders have since called the nuisance value of a certain ability to hamper any attempt to make a settlement without their concurrence. But the British investors were held to have the dominant claim. The arbitrators' award of ten million eight hundred thousand dollars to the capital stockholders, limited beforehand by agreement with the Government to a round ten millions, meant no such gain to them. They had pledged their interest, and the money had gone into construction. Certainly

they had stood to gain by the success of the great venture. They also stood to lose. They lost, and raised no voice in lamentation.

In no sense do these discussions profess to be a history of the Canadian Northern, or of the two remarkable men whose partnership made the railway. Perhaps I was daily too deeply immersed in meeting the responsibilities which grew out of the superintendency between Gladstone and Dauphin, to be qualified to present the story in its historical perspective. But that immersion at least gave me, in many respects, a unique all-around intimacy with the enterprise itself, and its bearing upon the expanding life of Canada during a most fateful quarter of a century.

Sir William Mackenzie spent much of his time on trans-Atlantic missions. He was also interested in many other undertakings which absorbed their due proportion of his time. Sir Donald Mann, whose capacities are in keeping with the solidity of his physical frame, did a great deal of planning ahead. The problem of access to the Pacific was very much in his mind for twenty years, though he said little about it. The railway policy on which the British Columbia Government appealed to the country in December, 1909, was worked out during Sir Donald's visit to Victoria in the preceding winter. Negotiations for charters were almost entirely in his hands.

It was not a sinecure to keep pace with the multitudinous demands for equipment in men, material and methods which arose out of the addition of an average of nine furlongs of railway per day to the system, for the first eighteen years; and of a total of 1,958 miles in 1915. Between six and seven hundred towns and shipping points are on the map as the direct result of that record, with every phase of which I was closely associated. We had good fortune in assembling an able, loyal and economical staff. Errors were made, of course—who makes no mistakes never makes anything. But if the story of the rise and fall of the Canadian Northern is ever written by some man who can by no possibility be called an interested partisan, his finding, on the unquestionable facts, can only be that the creators of the enterprise deserved more of their country than it is now possible for both of them to receive.

CHAPTER XV.

Speaking some truth about the difficulty of operating a railway for the nation.

N this continent there surely never was such a weird phantasmagoria of railroad changes as occurred during and immediately following the war.

Canada led the Western Hemisphere into the fight that was to save freedom, and was to magnify Canning's saying about the New World redressing the balance of the Old. The cost of the war in economic disturbance, during its progress, and since the delusive peace, was as little foreseen as its immediate cost in blood and treasure. What Armageddon did to North American railways is not yet appreciated by the millions who use them.

As the war worsened, the Canadian railway situation worsened with it. The penalties of overbuilding were felt on every side. There was extraordinary development of war industries; but the cessation of immigration, the attendant drag upon agriculture and commerce; and the curtailment of ordinary measures of maintenance and betterment made it inevitable that very heavy expenditures must be faced as soon as peace returned.

The war brought a grievous end to the Canadian Northern as a Mackenzie and Mann enterprise. It

also demonstrated beyond a peradventure the hopelessness, from the beginning, of the Grand Trunk's fathering of the Grand Trunk Pacific, by throwing that western system into the hands of the Government, under a receivership.

Then, as if these difficulties were not aggravating enough, the entry of the United States into the war. at a time when wages across the line had soared almost beyond trade unionist dreams of avarice, threw the railways into a Government pool, with a confounding result on Canadian railway administration. The McAdoo wages award on the railways which came under control of the Secretary of the Treasury raised expenses on all Canadian railways to a point which, though they compelled rate increases, still could not adequately be met by any charges which the Railway Board deemed fair to the public interest. The policeman's lot in the Pirates of Penzance was indeed a happy one compared with the Canadian railway executives' job towards the end of the war, and during the period of re-construction immediately following the armistice.

In such circumstances it was fated that we should carry through one of the strangest phases of the history of transportation—to change two great systems of privately projected and privately controlled railways, into public ownership properties, to join them with a network of Government railways already in existence; and to prepare the way for the speedy incorporation with these three main in-

gredients, of the senior system of Canadian rail-ways—the Grand Trunk.

One had travelled a long way from the tiny line between Gladstone and Dauphin, although it was less than twenty-two years from the day I left the old Manitoba North Western to the period during which the new directors of the publicly-owned Canadian Northern Railway took over the Intercolonial and the National Transcontinental, and "Canadian National Railways" was first used as a name that was to represent the legal unity of the largest system in the world.

Perhaps, if we were hunting for records here, something unique might be discovered in one's service. A little pioneer railway came into existence; grew to a system of nearly ten thousand miles, passed from private ownership to a national enterprise; carried on for four years under its former statutory identity, during which period there were associated with it, first all the Government railways whose building was fundamental to Confederation; and, secondly, the Grand Trunk Pacific, launched as a semi-public enterprise with the intention of dwarfing its existence. Only one general officer was concerned with every phase of that the decided of the confederation.

His experience involved a multiplicity of responsibilities which, viewed from a comparatively restful contact with less exacting business, seem now to be chiefly remarkable for the fact that they did not entirely swamp his sense of personal identity. An advantage of being away from it all is that one

may obtain a clearer perspective of what happened, and of the trend of its public importances, than was possible when one was encompassed by administrative labour.

There were eight years between the outbreak of war and the departure of my colleagues and myself from the Canadian National Railways. That fateful period seems naturally to divide itself into three distinct phases: the labour immediately attributable to the war; the measures required to make the best of the general situation left by the war, and the methods by which it was endeavoured to reconcile the efficiency of private management with the essentials of responsibility to Parliament. The last first.

As far as public policy was concerned, the situation into which a Board of Directors, newly appointed by the Government, entered was made for them by events which happily, perhaps, for them, were part of the war, as well as part of a railway problem of the first financial and administrative magnitude. We came into office when members of Parliament had something to think about besides jobs:

Even if the word "politics" were not used here, readers would use it; for, after all, you cannot have a revolution in a nation's railway affairs which depends on Parliamentary action, without political considerations entering into it. Besides the great interest of the whole body politic, which is statesmanship, the pull of the hungry partisan is sure to be felt, sooner or later.

Except for the infinitesimal proportion of men to whom nothing in public service is so important as the chance to get their hands on some public post or property, I think the public sentiment west of Montreal was, and is, all for keeping politics out of all the railway administration for which Parliament became responsible by the taking over of the Canadian Northern, and the receivership of the Grand Trunk Pacific.

During private ownership, the few attempts which were made to influence appointments by friends of Governments which had given guarantees had failed ignominiously. When the Canadian Northern became a National liability altogether, the war was almost at its worst. The acquisition of the system meant, so much obligation that few supporters of the Government felt like making a party holiday out of the transaction. The war had for three years been the universal preoccupation, when, in 1917, party considerations were subordinated to the formation of a Union Government. From the point of view of starting with a clean slate, as far as the attentions of oldfashioned machine politicians were to be apprehended, conditions could not be more favourable for nationalizing thousands of miles of railway, hitherto privately directed. Indeed, the Government exercised its authority over the Canadian Northern, before the Union Government arrived, by appointing as directors: Mr. W. K. George of Toronto, Mr. William Christie of Winnipeg, and Mr. Harry Richardson of Kingston. This happened almost without Parliamentarians or the public waking up to its significance.

Mr. Richardson was appointed to the Senate. Senator Nicholls of Toronto had been a director of the Canadan Northern from the beginning. While the final transfer to the Government was still in the future, certain legislation was pending affecting the railway, and these two senators resigned their directorships so as to avoid every appearance of political advantage being associated with the railway.

In was in the spring of 1918 when the complete surrender of the Canadian Northern to the Government was announced. On May 15th Sir Robert Borden described to the House of Commons the administrative policy of the Government:

"As to the immediate future, I have already said that we do not intend to operate the Canadian Northern system directly under a department of the Government. It is our intention to operate it at present through the corporate machinery by which it has been operated in the past. There will be a reconstituted Board of Directors. We shall endeavour to get the best men we can; and we shall not interfere with them. We shall leave the administration and operation of the road to be carried on absolutely under that Board of Directors, and we shall use every means available to the Government (and, if necessary, we shall come to Parliament for that purpose) in order that anything like political influence, political patronage or political interference—I am using the word 'political' in

its narrowest sense—shall be absolutely eliminated from the administration of that road."

This was the only policy which could be laid down with adequate appreciation of the magnitude of our task. It would be less than justice to Sir Robert Borden to refrain from saying that he and his Government lived up to that declaration. The same is true of his successor, Mr. Meighen. Neither directly nor indirectly did either of these Prime Ministers make a single communication to me, or intended to reach me, as far as I have the slightest inkling, with a view to influencing any decision likely to affect any man's good will towards the Government.

Up to that time Government railways to the north of the St. Lawrence, had not been operated on the basis of political advantage which had affected the Intercolonial management from the beginning. The National Transcontinental, between Quebec and Winnipeg, except for the grain traffic to Fort William, was a sort of waif, with so scanty a revenue that, with the war occupying everybody's mind, nobody interested in votes seemed to pay it any attention. It found practically nothing for idle political hands to do. Satan was busy elsewhere.

Between the Ottawa and the Pacific, members of Parliament had not all their lives seen the section men of the only railway in their region changed with every change of Government, because they were friends of the departing Administration, and friends of the incoming Government had been promised their jobs.

The election of December, 1917, was followed by limitations of patronage which the old-style politicians did not like; but which they knew it was futile then to attempt to revoke. Sir Robert Borden's declaration was received without vociferous enthusiasm and without audible complaint from his supporters.

Parliament prorogued eight days after the Premier notified the politicians to keep off the track. In September the complete new Board of Directors of the Canadian Northern was appointed. Not one of them knew anything of his contemplated appointment until he received the direct offer of a place. Not one of them was considered because he had any political influence. Every one of them was chosen for his potential value to the board as a man of wide experience in business, in most cases as a large shipper of freight; and in one case because he was of the foremost financiers in the Dominion. Every man hated the idea of political influence being injected into the railway business. If it be of interest to such as love to look, minutely into such matters, it was found later that a majority of the Board were old-time Liberals.

We were a real Board of Directors, and I think no more harmonious body of business men ever worked together—I don't mean in the sense that there were no differences of opinion; but in the sense that there was unity of aim, and a single-minded desire to do the best that was in us for vast properties, in the success of which the national prosperity was very heavily at stake.

The Board had not been at work very long before it discovered that it had been given the task of fusing ancient and modern, and that one of the elements in the projected fusion was not in love with the operation. There was, indeed, some temptation to feel that the situation was expressed by:—

For East is East and West is West And never the twain shall meet.

Our appointment as the Board of Directors of the Canadian Northern system was followed by an order-in-council appointing us to administer all the Canadian Government Railways, and to that extent removing them from the immediate oversight of the Minister of Railways and Canals, who was liable to be changed as some section men were.

It is as well to copy here the letter which Dr. Reid, the Minister of Railways, wrote to me when he had parted with the direct responsibility for administering the Government lines:

"Now that the Board of Directors has been appointed for the Canadian Northern Railway and that the Transcontinental Railway and the Intercolonial Railway and all other branch lines of railway owned by the Dominion Government are being placed under your Board for the management and operation, I wish to impress on you the understanding that I had with you here last week, namely:

The Board must operate the railways without any interference or influence from anyone connected with this Department or any influence outside of it.

"The future of the Government ownership of railways in my opinion, depends entirely on their operation being carried on free from any political or other influence. The operation should be carried on the same as a private corporation, keeping in view at all times economy and the interests of the shareholders who of course, are the people of Canada.

"If you desire any information from the Government or consideration of any matters in connection with the Government Railways, then I ask that you submit it in writing, so that I can lay all matters before the Governor-in-Council in the proper way. I shall then forward you the reply officially. In this way a proper record will be on file.

"This in my opinion, is the way to carry out the operation of the road, and if you agree with me, I hope you will see that this is done."

The name Canadian National was used, as already said, for general convenience, but legal identities were then in no way affected. Board's first duty was to see the property it was to manage. There was a trip to the Pacific coast and then one to the Atlantic seaboard.

Since before the war the West had known the disadvantages of hampered operation and delayed completion of branches that were urgently required. It wanted service; and it had no hoary traditions, practices, or hopes to recover or maintain. No old war horses had been running loose for ten years expecting that when next the fortune

of political battle turned out a Minister of Railways they would be turned into the paddock.

The East was as different from the West as chalk is from cheese—it could not be otherwise. For nearly fifty years the Government railway had been an unquestioned engine of political patronage. The oldest inhabitants when they gazed at a timetable saw in it the covenants of Confederation. The attitude of many men who are not so grey was and is: (1) That the Intercolonial being named in the British North America Act, and projected and promised as a political link between eastern and central Canada, must so remain; (2) That, taking not the most direct route from Montreal to Halifax, and therefore giving rates to shippers based sometimes less on mileage haul than on the shippers' desire, the Intercolonial must not be treated as a commercial railway; but as a sort of douceur to induce the maritime provinces to remain confederated with the Canadas.

This view has been advocated with great fervour by deputations that have come to protest against the ruthless administration that had its head and offending in Toronto. It is not unanimously held, down east. Even some politicians have said openly to their friends that there is nothing worth fighting about in the views of the departed fathers of Confederation, and that the East must look for business connections with the West only on businesslike bases.

A few days after the armistice the Board reached Moncton for a Saturday afternoon and Sunday ac-

quaintance with the Intercolonial headquarters. It found the atmosphere as chilly indoors as out, after the President had given to a representative meeting the Board's assurance of goodwill, and appreciation of the need for the local officers to have large jurisdiction; and had sketched the possibilities of interchange between Eastern and Western officers with a view to broadening the experience of the whole staff.

A gentleman of much ability and intense local patriotism presented us with a picture of an Ontario we had never seen before: and generally left the impression that something like a Western pirate was determined to prey on an Eastern victim.

Plainly, we were not as welcome as the flowers in May. The archangel Gabriel could not have become popular down by the sea if he had undertaken the job of co-ordinating the services of the railways which the Dominion of Canada now possessed. With all the good will in the world, it can be said that it was too much to expect that excellent men, habituated to party control of a railway, would discern the least beneficence in the revolution which had come upon the ancient institution.

There never was anything substantial in the objections to control from Toronto, as compared with the former conditions. Actual conduct of the Intercolonial centred in Moncton, as much as it always did. What really happened was that Toronto was substituted for Ottawa; and a President and Board of Directors succeeded a Minister. The

local superintendents' proposals for the year's betterments, as passed upon by the general manager, formerly reached Ottawa, and were there approved by the Minister or rejected, in readiness for the estimates to come before Parliament. Now, by the like process, proposals reached Toronto, before being incorporated in Parliamentary estimates. Fundamentally, that was the change. But, there was the difference that existed between the President and the Minister—as to coming into office and going out, they weren't both subject to the same powers as determined the choice of the section men.

It would have been vain to look for the instantaneous disappearance of a temper which, during two generations, had been deeply embedded in the political consciousness of three provinces and of half of a fourth. Sir Robert Morier, who was regarded as the ablest British ambassador of the later Victorian era, used to say it was the business of the statesman to be five per cent. ahead of public opinion. How far Sir Robert Borden's policy was ahead of public opinion in the maritimes—or rather the opinion of the party stalwarts—one cannot say. But as session succeeded session it became clearer and clearer that, in the East, the administration of the National Railways would be regarded from a very different point of view from that which actuated the West.

In the House of Commons there were criticisms of my former relation to the Canadian Northern, and demands for more plentiful financial details of our work. Nothing was ever alleged, or could be alleged, on the first count, of which dignified notice could be taken. The second criticism did raise a question of public policy; and it is as well to say one or two things about it.

Against Parliament's right to control the expenditures of Parliamentary money no word can be said. But there are limitations, for instance, when competitive contracts and commercial services are concerned. There is, indeed, a question of the use of ordinary common sense, which must not be jettisoned by a railway president, and ought not to be abandoned by a politician.

Look at imperial naval defence for a minute. The House of Commons is asked to vote say two million pounds for a battleship to be built by Vickers-Maxim. Every member of the House, therefore, has the right to inquire into everything relating to the contract. But honourable, experienced, trusted servants of the Crown have been employed to formulate a proposal on which their character, skill and experience are staked. Suppose one member, not to say twenty, began to inquire meticulously into the prices for all sorts of materials—the House would become tired of and then furious with him, and he would be suppressed as a nuisance.

Parliament's attitude to a national railway must be based on one of two assumptions—that the management is worthy or is unworthy of confidence. The efficiency of its management, like that of any other public management, is to be judged from the methods employed to carry on its business. The first test of these methods belongs to the known character of the administrative chiefs of the railway. On this point I have nothing further to say. The second is in the processes by which financial demands reach Parliament. What were these processes?

In the old days, I believe, the estimates for the Intercolonial were well sifted, first through district officers, and finally by the Minister with whom a committee of the Cabinet was associated. But, based on too abundant experience, there was always the fear, in the railway officials, of political interference from the constituencies; and always the possibility that somebody with a real or fancied grievance would get access to the Minister.

The Board's method was for the local superintendents' suggested appropriations to be refined by the officers above them, passed on by the President, submitted by him to the directors; revised by them, and then by the President carried to the Minister and a strong and, as I can testify, a vigilant committee of the Cabinet. Finally they were brought to the House by the Minister, with whom sat his deputy, who was also a director of the railways. Then they were open to the criticism of two hundred and thirty-five members, and were entirely subject to the approval of the House of Commons, which could demand all our reports.

Now let us take a concrete case, not of permanent betterment, but of contracts for one of the most important operating supplies. In 1922 we were summoned before the Public Accounts Committee. What took place is on the record. Inquiry was made by a member for the current cost of a commodity for the supply of which known friends of his were also in the field. I took the position that it would be against the national interest to disclose prices, which, I knew from experience, were apt to be taken by certain firms desiring to get the business, the duty and freight added, and a tender put in for a few cents per ton below the price obtained by absolutely strict competition. I instructed my subordinate not to bring the information demanded.

The member demanding the information is one of the most expert in all the forms of the House. When we pointed out that the subject of his demand had to do with the current year's expenses, with which Parliament was corncerned only as estimates; and did not touch the year's business then before the Public Accounts Committee, no further effort was made to get the information. It would be inaccurate to say no further effort was made to get me. The episode was typical of many things, as to which men of affairs will need no further elucidations.

Heaven preserve me from expressing political opinions; but there is a temptation to say that the Conservative party may regard itself as fortunate in the Borden Government's double experience of war and railway administration. From the point of view of observing the conditions which Sir Robert laid down in May, 1918, the war stress, and the necessity for respecting the non-partisan avowals of the Union Government helped greatly to wean

old fashioned politicians from the ancient customs. Whatever their private feelings about the loss of patronage and the helplessness of pull, they could not launch bitter complaints to Mr. Speaker without harming their own side of the House. Some of them had the mortification, though, of seeing their traditional opponents making attacks, which, naturally, were received with intense interest and favor by some of the folks back home.

During the session of 1921, strong attacks on us were made; and were continued in the campaign that preceded the election on December 6th of that year. The Board was assailed on the ground of interlocking directorates. Intimation was given that there would be an alteration if the Government were changed. Evidently we were to be the section men to retire with the Minister of Railways.

One of the most vehement critics of our administration was Mr. Kennedy, of Windsor, who became Minister of Railways. There is no reason why I should not tell of my first meeting with Mr. Kennedy.

Naturally, I had taken note of what had been said in the House by Mr. Kennedy. When he sent for me I took along the Hansard report of his speech. Though I had heard good accounts of how he was shaping as a railway administrator, it seemed best to be ready to let humility wait upon candour.

We had never met. As soon as I entered his room, and before there was time to say anything, Mr. Kennedy opened with a speech of which this

is a fair summary: "Mr. Hanna", he said, "before we begin our official relations I want to say something to you. You know, politicians in opposition often make criticisms and say things which, if they bore the responsibility of office, they wouldn't say. You may have read some pretty strong things I said about you. I want you to forget them entirely, if you will. I know nothing about the railway business; and you have spent your lifetime in it. I want your help in mastering my job, as freely as you care to give it me."

To such frankness only one reply was possible. I offered to prepare for him a survey of the work we had done since 1918, the head of each department setting forth its activities.

When that had been done Mr. Kennedy was extremely appreciative of a very voluminous document, all of which, I came to know he had read. Mr. Kennedy won my entire respect, for the speed and comprehensiveness of his grasp of whatever was put before him; for his desire to give the Board all the support to which we had become accustomed, and for the openness and confidence with which he treated me personally and officially.

It is characteristic of an old politician that he cannot believe his fellow on the other side has changed his habit. The persistence of the partisan attitude towards the Intercolonial manifested itself speedily after the election of 1921. It must have been assumed by many veterans of hustings and committee rooms that all the talk inside and out of Parliament about the abolition of political consid-

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erations from the National Railway management was so much bunkum. Letters soon began to arrive from Parliamentarians the substance of which was "Now that we are in power, of course, our friends will have consideration." Hundreds of such letters went on file, some of them from men high in the nation's service. Surprise was great when it was found that the talk about political eliminations wasn't merely gas.

In July, 1922, the resignation of the whole Board of Directors was asked for by the Minister, I believe with sincere regret. It was made known that besides myself, Mr. A. J. Mitchell, the vice-president in charge of finances, would be forgotten when the new executive was formed. We carried on until October, when the execution was publicly performed, and one life, at least, was appreciably lengthened.

CHAPTER XVI.

Narrating several occurrences which made huge Canadian National deficits inevitable.

OMPARISONS may be odious; but they are sometimes illuminating. To many sincere well-wishers to the experiment of nationalizing about twenty thousand miles of Canadian railways, the clearest remaining impression of the earlier years of that regime is of enormous deficits. Apprehension of the causes of these deficits is not clear. It certainly could not be among those who once advocated turning over this national property to a competitor for a dollar a year, leaving the nation to carry all the fixed charges on a capital obligation four or five times the size of the national debt before the war, and about two-thirds of that interesting burden in this tranquil era. Before discussing the purely Canadian situation it is worth while to look at what happened across the line.

When the United States entered the war, all the railways were taken over by the Government, under the supreme direction of the Secretary of the Treasury, Mr. McAdoo, and with a guarantee of pre-war profits to the owners. The so-called national administration lasted twenty months, and lost one billion, four hundred and forty-three million eight hundred and ten thousand dollars, or

more than the total fixed assets of the Canadian National Railways before the inclusion of the Grand Trunk. Besides this loss, the Government advanced, during its control, one billion one hundred and forty-four million dollars for equipment, additions to, and betterments of properties which the nation does not own. The chances for complete recovery of that money are probably nothing more than chances.

That was nationalization in the United States, under the autocratic control and operation of a politician.

Nationalization in Canada began under vitally different conditions, as to the properties taken over, and the character of the management. When in 1920 the effects of the American experiment were being acutely felt in Canada, I happened to speak to the Ottawa Canadian Club. This comparison of conditions on both sides of the border was made; and I think its fairness is still beyond question:

IN	UNITED STATES.	IN CANADA.
1st. The Reason.	War measure.	For economic causes.
2nd. The object.	Unified service re- gardless of cost.	Adequate and efficient service.
3rd. Duration.	Temporary; this very condition being quite unsettling.	Permanent; due to conditions on which the policy was based.
4th. Method of Management.	Political — Mr. Mc-Adoo.	Non-political; board of management of business men.
5th. Competition.	Eliminated; practical monopoly of the worst kind; over 265,000 miles.	

IN UNITED STATES.

IN CANADA.

6th. Result on Staff Indifference.

On their toes.

7th. Result generally

Guaranteed return to Railways on investment.

Recognition of efficient service.

Dictator McAdoo wages award proved to be a thirty-chapter serial with supplements. Promotion from merit alone.

It would be a signal failure of duty here if one did not offer the warmest tribute of gratitude and admiration to the Board of Directors, which the Government appointed in September, 1918, to serve with me, and which administered 17,478 miles of railway, formerly the Canadian Northern, Intercolonial, National Transcontinental and Grand Trunk Pacific. The directors were:

A. J. Mitchell, Toronto.

G. A. Bell, Ottawa.

Robert Hobson, Hamilton.

E. R. Wood, Toronto.

F. P. Jones, Montreal.

Sir Hormisdas Laporte, Montreal.

R. T. Riley, Winnipeg.

C. M. Hamilton, McTaggart, Sask.

Col. Thos. Cantley, New Glasgow, N.S.

Later, Mr. F. P. Jones resigned for business reasons, Mr. C. M. Hamilton retired to become a candidate for provincial honours in Saskatchewan, (he is still in the Government at Regina), and Col. Thomas Cantley resigned when selected as a candidate in the Federal election of December,

1921; thus accentuating the non-political character of the Board.

It is proper to repeat that these gentlemen gave to the work, shortly to be sketched, exactly the kind of supervision which able, conscientious men give to the management of private concerns. Many an anxious discussion did we have about the broad lines of policy, and the measures essential to laying deep and sound the bases of future success of a business which perhaps had heavier handicaps upon it than were hindering any magnitudinous contemporary enterprise.

One of the most precious qualities in the administration of great businesses, including Governments, is what Napoleon called two-o'clock-in-themorning courage, which is very different from the desperation of battle-heat. A glance at the fundamentals of the Board's situation, will indicate whether they showed the Napoleonic quality, in the cold, dead hour, when temptations to turn over for a snooze are most potent.

The Board inherited a vast mileage and a traffic volume, which was not likely swiftly to be enlarged, once the troops were returned, and the war shipments, which had taxed the Intercolonial, for instance, almost to its limits, for the first time in its long history, were over. All costs were at a height, which before the war, was unthinkable. Rates had not risen in comparison. The physical property was badly run down, owing to war conditions, in which connection were two especially heavy bur-

dens, the quality and extent of which the general public could not be expected to appreciate.

The life of a tie and of a wooden trestle is from seven to ten years. On the Canadian Northern, the National Transcontinental, and the Grand Trunk Pacific, there were many trestles which must be replaced either by fills or steel bridges. You would be surprised to know how many trestles there were between the Yellowhead and Prince Rupert, where it was popularly assumed that steel bridges had eliminated the old-time feature of pioneer construction.

To those who are not very familiar with an important phase of railway practice, perhaps it may be explained that wooden trestles are built in places where it is intended to make entirely new and costly embankments for roadbed. But it is not done that way in the beginning, because a wooden trestle is quickly and cheaply put up, whereas, to make an embankment with, perhaps, hundreds of thousands of cubic yards of earth or rock, means the employment of innumerable teams at enormous expense, and much delay in laying rails.

Sometimes, indeed, trestles are built because the character of the earth's foundation makes it uncertain whether the first location is the best, and a trestle is adaptable to whatever slight deflection may be necessary. For several years you can use the trestles, relying on traffic developing sufficiently to pay for the embankment out of revenue. You then build it economically by work train, with the

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cars loaded by steam shovel and unloaded by a steampower plough, that sweeps the flat cars clean.

The supersession of trestles was a large and expensive element in the Board's work of putting the National Railways into first class operating efficiency.

There was another costly factor of immense importance which did not enter into the "national" administration of the United States railways. Thirty-five per cent. of all our mileage had been taken over from the contractors during the war. Anybody who has noticed what happens when a gas or water main is disturbed in a street, knows that though the filled earth, when the job is done, is a hump in the road, it becomes a hole as the earth Every motorist has mourned when he hasn't objurgated, as he comes again, again and again to a piece of new provincial highway where the concrete has not been put down, because the "fill" must have time to settle. Thirty-five per cent. of the National Railway mileage was, to a considerable extent, like the roadway of the disturbed water main, or the disturbed motorist. Besides these factors new roundhouses, section men's residences, water facilities and many terminal plants had to be provided or improved.

In so general a sketch as this it is impossible to distinguish between expenditures on capital and maintenance accounts. We were compelled to go to Parliament for large sums for ordinary as well as for deferred maintenance, in addition to what was imperative for new equipment, terminals and completion of branch line construction.

In the public apprehension of somewhat complex financial relationships, the uppermost idea no doubt was that the Canadian National Railways were losing millions, hand over fist, on the mere running of trains, and that the money voted by Parliament was swallowed up in hopelessly irrecoverable deficits. The report for 1921 gives the distribution of the total net cash advances to the Canadian Northern:—

Refunding of loans, including principal of	ë 20 206 DE2 40
equipment securities	\$ 32,300,932.49
New Construction	29,804,673.62
Betterments	21,962,955.31
Railway Equipment	42,339,483.81
Rails, accessories and other material	
Capital contracts payable	
Fixed charges and operating deficits	103,487,706.71
Total	\$251,088,248.88

The good citizen, who always pays his way, and looks upon everything connected with Government as a deadly allurement to wasteful extravagance, is tempted to assume that a first class recklessness and a third-class efficiency have gone into the Canadian National Railways' management. A reading of the abridged report made to Mr. Kennedy in 1922, of the Operating and Maintenance Department, which is given in the appendix should help to correct this error. Still, a tendency to persist in it may linger, especially among those who regard our great rival, the C.P.R. as being filled with the excellences which public service is believed conspicuously to lack. Saddened owners and candid friends

of the Canadian National Railways may not discover unaided a feature of the war and post-war situation which makes the practice of comparison more interesting and less odious than it usually is. It has to do with what has already been noticed—that thirty-five per cent. of the Canadian National mileage was received from the contractors during the war.

Does it ever mean anything to the critical public, I wonder, that Parliament and the Dominion Board of Railway Commissioners recognise no difference between the pioneer railway and its old-established, flourishing senior? The Canadian Northern was not begun until the Canadian Pacific had been operating transcontinental trains for ten years. main line was built through practically empty. prairie country. But though it was a pioneering system, it had to meet the same conditions as to passenger and freight rates that governed the C.P. R., with the established traffic of the only continuous transcontinental railway in the world. disparity applies with equal force to the opening up of the northern wildernesses in Quebec and Ontario by the National Transcontinental and the Canadian Northern.

The emergence of the National Railways placed upon us a responsibility for creative, pioneering services the magnitude of which has surely not been fully appreciated by Parliament, public or press. So far as one is aware, the value to the country of a pioneer railway has never been worked out on an actuarial basis. Take, say, a territory

three hundred miles long by thirty miles wide into which settlement is introduced by a railway. Thirty towns are established in it through which all the newly-created business of the region passes. That business is represented not only by what is visible in the thirty towns and their sustaining farms. It is in the factories of Ontario, the financial, theological and other institutions of the East, and in all the paraphernalia of transportation, from coast to coast, including the car and engine shops, and the divisional towns.

The common denominator of the whole range and multitude of activities set in motion by the pioneer railway is the Government, the expenses of which, avowedly for the general advantage of Canada, are roughly divisible into two sections—as the expenses of a great bank are. There are the expenses of established business which yields dividends, and those which are chargeable to promotion, expansion, pioneering-which will presently become profit-making. The Government furnishes various administrative services to newly-opened country which do not produce an immediately balancing revenue. No criticism can be offered against this general policy. Banks carry on branches in sparsely populated localities, for similar reasons. They support their children for a while because presently the children will support them.

Railways are expected to furnish services which cost more than they bring. The Canadian National is carrying a larger proportion of these than ought to have been assumed, under a properly con-

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trolled programme of original construction. But that does not alter the fact that the pioneering service is being given, under the orders of a Board of Commissioners which, broadly speaking, treats the youthful branch as if it were the matured trunk. The point I wish to suggest is that, to obtain a fair perspective of the Canadian National Railways, as they were between 1918 and 1922, these aspects of a thirty-five per cent. of mileage taken over after the Great War began, should be taken into account; especially in relation to the heavy expenditures necessitated by a continuation of extremely adverse conditions.

Look at one of the financial aspects of these tremendous, but typical necessities for tremendous expenditure. The well-conducted railway, as already said, expects to replace its trestles out of revenue; and to carry its maintenance from the same source. On the Intercolonial it had never been expected that revenue would care for all these charges. The capital account was continually increased, the money being supplied by Parliament from taxes, and not carried as an annual recurring liability, such as the bonded indebtedness of a railway which must live by commercial processes alone. The Intercolonial was always true to this form before 1919.

If the National Railways were to be managed as a business, and not as a makeshift, the Board felt that there should not only be a thorough rehabilitation of the property, but that all possible costs should be charged to revenue so that there could be no mistake about the strictly businesslike character of the whole administration. That meant requests for vast sums of money, and the charging of them against revenue, which in turn meant the declaration of huge and, to the short-sighted, terrifying deficits.

The money could only come from Parliament, on the demand of the Government. My old colleagues of the Board would not thank me for saying that they showed extraordinary courage in putting the situation, in all its formidability, up to the Government. But, to many seasoned business men, in their place, what they did would have required volcanoes of two-o'clock-in-the-morning bravery.

If there had been anything like the ancient brand of political control, or profit, in the Government's railway dispositions, what would the Cabinet's attitude have been? It would have said "Keep your expenditure down to the lowest possible limit, not giving first regard to the foundation for future commercial success. Charge as much of your expenses as possible to capital account, to keep deficits down, so that we may make the best possible immediate showing to the voters."

The Government did nothing of the kind. The Board went to the Cabinet with a big, hard, for-bidding business proposition, which only the lapse of years could justify. To its enduring honor, be it said, the Government courageously faced the situation with a kindred spirit; found the money, and said never a syllable about the political effects of so much courage, and so much danger.

Though the Board exhibited such splendid courage, let it not be supposed that there was anything exhilarating about our job. After all it is a heart-breaking affliction to have to go on month after month with the results of ceaseless endeavour written monotonously in red ink. To any Scotch soul, the continued outlay of more than a dollar to earn a dollar was bound to feel very much like predestinated doom. There was no escape from the experience in the present. Without it there was no hope for the future. Thousands of miles of railway were on the verge of dilapidation. To allow the process to go farther would be to invite the permanent disaster which we were determined, if possible, to avoid.

In trying to give to the general public an intelligible account of a railway administration, there is always the danger of fogging the story with statistics—of making it impossible to see the wood for the trees. I am anxious to make it clear that the Board of Directors, of whom I had the honour to be the head, approached and performed their duty in a fashion which became the dignity of their employer—the Canadian nation—and reflected high distinction upon themselves.

From our first inspection of the property, from Sydney and Halifax to Vancouver and Prince Rupert, and from our study of the economic conditions affecting the expansion of revenue, we evolved a definite, coherent policy. I take the liberty of repeating what I endeavoured to express in a memorandum which I read to the Select Standing

Committee on National Railways and Shipping, on April 20th, 1921. Speaking of the general supervision exercised by the Board, and after stating that they were the directing force in the general policy of the railways, I said:

"It has been accepted by them as a definite policy that a national railway system be built up of the various lines owned by the Government, which in all respects will be the equal of the Canadian Pacific Railway in its ability to give the communities it serves good and adequate railway service. To carry out such a guiding policy it has been necessary to assume that ultimately the traffic for which the main lines of the system were laid down would be developed. Where any limiting condition exists which prevents the above-mentioned policy from being carried out it is the aim of the directors to remove such a condition. It has therefore been necessary, in addition to taking up deferred maintenance, to make a start on the progressive programme of improvements to the physical properties of the system. It is a matter of regret that much of this work, which could not further be postponed, had to be undertaken during the last two years under conditions which added largely to the expense. This situation was intensified by the fact that initial tie and bridge renewals for a long section of the main line came due within the period under review. The extra outlay which it has been necessary to make in an effort to put track and equipment in the proper physical condition is largely indicated by the increases in the

principal headings of expense already set up in the statements being placed before you.

"This has involved the expenditure of money to improve locomotive terminals; extend sidings and switching yards; to put in double tracking, and improve many other operating conditions, so that a greater efficiency can be secured from the equipment now owned, and so that additional traffic may be handled without congestion. It has also been necessary to undertake some branch line extensions, particularly those on which some work has already been done prior to the war.

"Additional rolling stock and motive power has been required, large additions to the equipment being necessary to put this system in a position properly to handle its proportion of the traffic of the country."

Because of the enormous amount of work to be done, and of the cost of materials having increased to unprecedented figures, even then—although the later increases added greatly to the burden, and wages were also much higher and labour less efficient—we had to consider carefully the order in which the programme should be carried out. We therefore, placed the works in the following order.

- 1. Those absolutely necessary to the continued operation of each line.
- 2. Those absolutely necessary to the reasonably satisfactory handling of traffic.
- 3. Those not absolutely necessary but which would reduce the cost of operation sufficiently to justify fully the expenditure.

Under such a policy we carried on for over three years. Each year increased the burden of troubles and anxieties due to advancing costs of materials and wages, as you may now see.

Our first year, (and the first post-war year,) 1919, far from seeing any let up to the accumulation of embarrassing labor conditions originating in the McAdoo award and its many supplements, or a reduction in costs of material, brought an aggravation of the situation. The United States Government's decision to accept the losses of the United States railroad administration as war expenditures, was official recognition of the disproportion between expenses and gross earnings. We carried on without charging any of our difficulties to war account.

Freight and passenger rates in 1919 remained stationary, while wholesale prices, according to the Department of Labour's index, advanced from 286.5 to 322.7, and the average annual wage of rail-way employes increased from \$1,061.20 to \$1,315.93

In this year, due to the large amount of deferred maintenance which was essential to bringing the property up to normal conditions, the increase in labour cost alone was \$19,000,000, and in materials \$2,500,000. The increased cost of our labour was more than half of the total annual revenue of the Dominion Government when Sir George Foster became Minister of Finance.

"From bad to worse" describes the situation in 1920, from the operating point of view. The Canadian National, in common with other Canadian railways, was carrying the accumulated burdens of the McAdoo award and its oppressive supplements, etc., as well as still higher costs for coal, materials and supplies. The inadequacy of earnings in this situation was fully recognized; but the rates question was not dealt with in Canada. The continuation of the United States Government guarantee of pre-war profits to the railroads up to September, 1920—twenty-two months after the armistice — prevented increases of charges over there to meet the increased wages. As we were operating under United States wage rates it was felt that the Railway Commission should hold us down to United States freight rate levels.

In this year, too, another crushing blow was dealt the railways by the Chicago award, which was adopted in Canada under strike pressure. The award which was made in September, but was retroactive to May 8th, increased wages by over 25 per cent. This, applying to more than four months' back pay involved a payment by the Canadian National of almost six million dollars.

During this year of boom prices and deferred maintenance, the programme of improvements and betterments had to continue, as much of the work could not longer be deferred. But at what a cost! In labour and materials, exclusive of coal, the increase approximated \$29,000,000. In our direct transportation account, our coal bill alone showed an increase of \$6,200,000.

Though 1920 was bad enough, 1921 excelled it in horror. In reviewing the results of this year,

the United States railroad authorities have called it the worst year in the history of the United States. "The decline of both freight and passenger traffic was the greatest, absolutely and relatively, that ever occurred in the country," the Railway Age said.

The Canadian railways experienced practically similar conditions to those existing in the United States. But the Canadian National System, unlike many other lines, finished the year with its physical property in better condition than ever before. We drastically reduced operating and maintenance forces, because the deferred maintenance work had practically been completed; and because, due to the previous two years' work, operating conditions were improved. Though our traffic, in common with that of other railways, fell away, the year closed with gross earnings practically the same as in 1920. We were able to effect such economies in every department that we reduced our operating expenses by \$21,250,000.

Misery loves company. Sometimes, when you are in trouble, it is a consoling thought that you have not monopolised the chastening rod. Our handicaps considered, we were not as badly off as some American railways which, in dividend-earning power, had been regarded as surest among the sure—the Pennsylvania, for instance.

This line had an operating loss of over \$23,000,-000 in 1920, or a total loss of \$48,250,000, including taxes and fixed charges, as against net earnings of over \$89,500,000 only four years before—in effect, and comparatively, a deficit of \$112,500,000.

The Canadian Pacific in 1916 had a surplus of \$15,500,000, after paying all fixed charges, and dividends. But in 1920 with an increase of \$87,000,000 in gross revenue over 1916, the C. P. R. not only lost the advantage of the increased earnings, but advancing expenses exhausted so great a proportion of their gross that the surplus in 1920 was only \$450,000, after providing for fixed charges and dividends.

In the spectacular declines of such railways as the Pennsylvania there was no branch-line factor such as affected our situation. It is axiomatic in railway practice that most branch lines, of themselves, do not pay, and that, without the branch lines that do not pay, the main lines can't pay-at least their prosperity would be heavily reduced. In a sense, of course, if you do not build a line into a prairie region where settlement has already taken place, you will get business, for the remote farmer will haul his grain to the station, and his supplies must be hauled a longer distance than would be the case if he were closer to the steel. But settlement will remain sparse, and farmers will not grow as much grain, if they have to haul it twenty, forty or sixty miles to market.

In the main, promises of railways that were made to vanguard settlements in the old Canadian Northern days had been fulfilled. Sir William Mackenzie and Sir Donald Mann were so saturated with the pioneering spirit that it was more difficult to keep them from getting ahead of traffic than it was to fulfill the promises that were made.

During the war, of course, all branch line construction was at a standstill. Work had been done on twenty-four Canadian Northern branch lines, which the National Board had to take up when the war was over. One Grand Trunk Pacific branch was under construction, so that we had twenty-five extensions to take care of. In this field of general policy our rule was not to ask Parliament for any sort of blanket authority to make changes from the estimates submitted at each session. We proposed a programme which we intended to live up to and not to exceed. We recognized the supremacy of Parliament as to capital expenditure, as we fought for the supremacy of the Board with regard to details of contracts.

These twenty-five expansions were in the West. But there were branch line problems in the East. Indeed, there were portions of main lines, which, for local traffic purposes must be treated as if they were branches. In the farther East were several lines which were built and operated by small companies until, though low wages were paid, their economic impossibility as independent organizations threw them into Government control. Service had to be given, with wages raised to the level of main lines. On one branch line, in Ontario, where the engineer had been paid less than a hundred dollars a month, his earnings under the McAdoo awards were raised to the income of an On-

tario Cabinet minister—six thousand dollars in a year.

The Board, loaded with many lines which, as distinctive features of the system, could never be expected to pay operating expenses out of revenue, introduced an entirely new system of transportation in Canada—the self propelled single car, oper-. ated by one driver and one conductor, like an ordinary street car. We placed this sort of service, some of it run by gasoline, and some by electricity, on several branch lines, saving costs in power, in the weight of equipment used, and in wages, at the same time giving greater frequency and efficiency in service. The policy has, I believe, been extended under the substituted management, with considerable success. A light service for example is being given between Toronto and Parry Sound, on the old Canadian Northern.

One is inclined to think that in this kind of service, rather than in the electrification of branch railways, which is far more costly than the general public supposes, the most economical and efficient adjustment of old steam lines to modern conditions will be achieved. The principle of the automobile on rails offers a flexibility which nothing else can; and the possibilities of the electric storage battery are not yet exhausted.

Very inadequately the scope of the Board's work, from the fall of 1918 to the fall of 1922 has been sketched—although we stepped out in October, our resignations were requested in July. The co-operative spirit was not confined to the directors, or

even to the higher branches of the daily service. The esprit de corps that was developed far exceeded the expectations of those who believed that Government ownership meant general slackness. The consolidation of the staffs of the Intercolonial, the Grand Trunk Pacific and the Canadian Northern was accomplished without friction of any kind; and the loyalty of the employes all over the system was admirable.

The justification of the policy laid down in 1918 is contained in the figures of earnings and expenses for the four years of our regime—it is fair to include the whole of 1922 in this survey, since we retired in October and the new chief did not take charge until mid-December. It will not be too wearisome to give, on the next page, the only considerable table of statistics which this work contains.

From the mass of facts embedded in these tables one can only extract a few. The progressive decline in the total loss on operating after the zero year of 1920—a decline which has been accentuated in the figures for 1923—is obvious. But it is not so obvious that the disparity between earnings and expenses in 1922, is due to the revival of the Crow's Nest Agreement which threw the railways backward, from a business point of view. We had expected to break almost even in 1922; and would have done so, if the revived agreement had not lopped over eight millions from revenue.

The most outstanding fact hidden in the statistics is the relation of the Canadian Northern to the

									•								
AYS S AND EXPENSES 922)	INSES		1922	\$60,679,033.37	40,939,945.70 18,516,977.58		\$120,135,956.65		\$63,625,763.09	43,436,667.67	22,809,843.99	\$129,872,274.75		\$2,946,729.72	2,496,721.91	4,292,866.41	\$9,756,318.04
	1922)	1921	\$69,088,474.16	41,275,314.84 16,638,677.64	***************************************	\$127,002,466.64		\$75,564,385.30	46,990,047.74	20,668,360.51	\$143,222,802.55		\$6,475,911.14	5,714,732.90	4,029,691.87	\$16,220,335.91	
NAL RAILW	OF EARNING	1920, 1921 and	1920	\$66,695,398.80	44,803,045.84 14,408,549.66		\$125,906,994.30	ø	\$82,953,978.60	55,445,651.29	24,543,063.60	\$162,942,693.49		\$16,258,579.80	10,642,605.45	10,134,513.94	37,035,699.19
CANADIAN NATIONAL RAILWAYS COMPARATIVE STATEMENT OF EARNINGS AND EXPENSES	ATEMENT C	VE STATEMENT OF EAKNINGS AN (For the Years 1919, 1920, 1921 and 1922)	1919	\$53,562,177.57	40,179,380.93 11,294,617.87	*	\$106,036,176.37	ب	\$60,034,023,92	47,728,205.73	17,587,567.37	\$125,349,797.02		\$6,471,846.35	7,548,824.80	6,292,949.50	\$20,313,620.65
	COMPARATIVE STA	(For th	GROSS EARNINGS	Canadian Northern	Canadian Government		\ Total,	OPERATING EXPENSES:	Canadian Northern .t.	Canadian Government	Grand Trunk Pacific	Total	OPERATING DEFICIT:	Canadian Northern	Canadian Government	Grand Trunk Pacific	Total

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Grand Trunk Pacific and National Transcontinental lines. As to this, we will leave out a detailed comparison with the line between Winnipeg and Fort William, which gets its share of the grain traffic to the head of lakes, remarking only that, thanks to the proportion of grain diverted from Canadian Northern lines at Winnipeg and important points west, this section of the great project of twenty years ago is by far the best of the whole line between Winnipeg and Moncton.

Now look at the figures for the C.N.R. and the G.T.P. This is what it cost to earn a hundred cents in each of the four years:

	1919	1920	1921	1922 -
Canadian Northern	112.1	124.3	109.3	104.9
Grand Trunk Pacific	156.2	170.3	. 140.2	123.2

For the gulf between earnings and expenses, 1920 was the worst year in North American railway history. But it was the year in which the Grand Trunk Pacific was first co-ordinated with the Canadian Northern—beginning with the grain movement, in September. Thanks to the diversion of traffic to the Grand Trunk Pacific and National Transcontinental, Canadian Northern gross rose only 24.4 per cent.; while the Grand Trunk Pacific increased 28.4 per cent. But the increase in the cost of earning a dollar on the C.N.R. was 12.2 cents as against 14.1 cents on the G.T.P.

The conditions as to increase of traffic from the country served by these former rivals, are, relatively, what they were before the war. If the two lines were on anything like an equal footing as regards

the quality of the territory served, and the amount of business available, for instance, at such competitive points as Saskatoon, Regina and Edmonton, where both compete against the C.P.R., the ratio of operating losses would have been about the same, in 1922, when the return to normal was well on the way, and would have been much nearer attainment but for the Crow's Nest revival. But. though the G.T.P. total earnings were not onethird of the C.N.R. total earnings, and were an increase of nearly two millions over those of 1921, or 11.1 per cent., the loss on operation was nearly a million and a half more than on the Canadian Northern. If the Canadian Northern loss had been proportionally the same as the Grand Trunk Pacific, it would have been over fourteen million dollars instead of less than three.

These remarkable comparisons, it cannot be too clearly emphasized, are in spite of the turning over of immense quantities of C.N.R. business to the G.T.P. The conviction remains that, if the C.N.R. could have been kept as a separate entity, it would have made a small profit during these four years, with the exception of the abysmal 1920, and its emergence into an entirely self-sustaining system would have been immediately in sight.

One aspect of the co-ordination of the C.N.R. and G.T.P. is specially worthy of remembrance. During the heavy season of grain movement to the Lakes it has been an excellent policy to transfer millions of bushels to the old National Transcontinental at Winnipeg, to relieve the congestion on

the old Canadian Northern between Winnipeg and Port Arthur, via Fort Frances. The effect of this sort of double-tracking has been partially offset by the necessity to operate as two separate railways, with two sets of round-houses, repair shops, etc. There has been a special advantage to the National Transcontinental side of the account, though. During, say, eight months of the year, the Canadian Northern could handle all the business accruing from its own lines at Winnipeg. But the diversion having been made for the grain-congestion period, it is continued for the balance of the year. A facility in movement for the Canadian Northern during the rush season is more than paid for by a loss of traffic for the rest of the year.

Such, then, was the irresistible logic of railway events when the irresistible logic of political events presented to the directors, including the two who had given long and undivided service to the properties, a freedom from responsibility which has been appreciated at its high private value.

The report for the year 1922, the policies for which were laid down under the first President's chairmanship, was written by another hand. Six months after the old administration ceased, this is what was reported to the Minister of Railways and the Governor-General-in-Council:—

"On behalf of the Board, I would like to state that after inspection of the main arteries of the system, we find that the work undertaken has been well performed, and that the expenditures have been well applied. While the demands for capital expenditure on a system of such extent in a growing country, as the former Board stated, are never-ending, yet it may now be said that the three groups of lines, until recently the Canadian National Railways, enter the consolidation in excellent physical condition and operating at a high mark of efficiency as regards actual performance, or movement of traffic, and other factors controllable by management. Apart from certain wellknown cases of duplication, the lines are well located and in exceptional position to successfully perform the transportation demands of the country. The problem, as far as the lines covered by this report is concerned, is how sufficient traffic may be developed to carry the overhead and maintenance expenses. As far as transportation costs go, an economical performance is being made. Under these circumstances the margin for improvement, with the present light volume of traffic, is largely dependent on circumstances beyond the control of the management.

"On some of the older sections there are still improvements that should be undertaken, but in the main the lines are modern in character, and were built or have been brought up to standards which are ahead of actual traffic requirements, except under stress of seasonal movements."

Finally, touching these early years of nationalization, one may be allowed to indicate the footing on which we parted from our working associates by repeating two paragraphs from the President's farewell circular:

"It has been our constant aim to keep the National system free from anything that could be used to support a charge that the Government's railway, steamship, express and telegraph services, were being used for political purposes. I can only say for myself and those directors who retire with me that nothing in the nature of political interference would have been tolerated while we were in charge. It is a necessary policy if efficient administration is to be obtained.

"In sending out this note of farewell, which will reach many of those with whom I have had practically a working lifetime's association. I desire to express my hearty appreciation of the friendly personal relationships and friendships which have resulted from our joint efforts to do the best in our power for the fine properties in which we were employed, which properties, I know, we have felt are of such potential worth that they can be made great national assets. The way has not always been smooth, and the work has always been hard, but it has always been worth while, because of those with whom I have had the pleasure of sharing the load. For all of you who remain to carry on I wish the best of good luck. I hope that you will be permitted to advance the interests of Canada's National Railway, Steamship, Express and Telegraph services, to an extent that will demonstrate that public ownership may still be consistent with good management."

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CHAPTER XVII.

Shedding sidelights on unities of Canadian railway management during the War.

A RAILWAY is a republic and a monarchy. It is a republic because there is no pre-emption of high offices for any favoured class among its servants. It is a monarchy in the virtual dictatorship of its President. The Canadian National system has practically a hundred thousand employes, to every man of whom, if he entered the service young enough, the highest executive office is open.

All the great rises in railway history have not begun on headquarters staffs. The most important vice-president of the Canadian National—S. J. Hungerford—came from the lathe. President Smith of the New York Central lines, worked on the section. Van Horne was a telegraph operator. Lord Shaughnessy was a clerk in Milwaukee. Sir William Whyte, who administered the C.P.R. west of Fort William with great distinction for many years, was a brakeman on the Credit Valley line. Sir William Mackenzie taught school. Sir Donald Mann's prowess with the axe is proverbial, wherever the story of his encounter with a touchy Russian officer in Manchuria is told.

Two aspects of the openness of the climb to rail-way summits are, perhaps, worth discussing—the ability and character developed among executive officers; and the relations of railway with railway when they meet as rival, and sometimes hostile, powers.

Basically, one does not claim a superiority for either generation of colleagues with whom he has worked during fifty years. On the whole, I think, we older fellows, who are a little nearer the Shorter Catechism than some of our more recent executive brethren, compare fairly favourably with our heirs. But, in social and ethical standards, there has been a tremendous leveling up in the railway as well as in other worlds.

Take drink-or rather, think of drink, and the general business code. Leaving aside the controversy which breeds such a remark as that a man would rather have prohibition than no alcohol at all, there has been a beneficent change in custom. In the old Bonaventure station at Montreal, over forty years ago, every pay day saw the office desks, in some departments, littered with almost as many whiskey bottles as pay checks. Where the bottle abounds, its unhappier fruits will be found also. It may be due to a lack of observation, as well as to a want of experience, but I cannot assert whether, in Montreal at that time, spiritual discussion was as inevitable a concomitant of spirituous indulgence as it was reputed to be in Scotland in days not lang syne. But nothing is more certain and more gratifying than the elimination of intoxicating liquor as an ingredient in daily business.

With slacker social proprieties than we now enjoy, the lower standard of ethics in the railway business showed itself in manners which may be mentioned without offense, seeing that there have been great changes for the better. Forty years ago the great bodies of railway workmen were not organized in unions. The recurring bottle on the office desk had its fellow where men like engineers gathered together. The advent of labour unions, though it brought a few complications with which, perhaps, the services need not have been troubled, unquestionably raised the morale of all the bodies of men enrolled in them. To-day there is the severest look-down on the man who allows liquor to mar his efficiency—it was so, long before prohibition descended upon us. Any man in trouble because of drink gets very little sympathy and very short shrift from his union.

With the rise in morale as to personal behaviour has come a corresponding advance in the breadth and ability with which the men's side of labour difficulties is handled whenever cases of discipline arise — of which something presently.

Improvement of morale does not largely influence another condition, which may not affect railways more than it does other walks of life: though, with the multitudes of men, and variety of departments, the situation may be thrown into stronger relief in railway administration than in some other branches of industry. I allude to promotion, and

the reasons why some men—most men—do not rise high or fast.

An old friend in London who had developed a unique business out of nothing, was asked what percentage of those who had worked under him during sixty years had enough executive capacity to deal with an emergency when their superior was away, without being frightened by their assumption of responsibility. His answer was: "Perhaps two per cent.—not more."

Sir William Whyte with whom this facet of success was discussed, thought the estimate was low, for railways, because the very nature of railroading—movement, climatic emergencies, accidents, for example—develops latent ability to meet unexpected conditions, to an extent that does not apply to a calling wherein the employes operate in one set of buildings. But, Sir William said, an outsider would be surprised at the number of men who declined promotion because of fear that they would be inadequate to enlarged, unfamiliar duties. One recalls our first engineer at Edmonton who, promoted to a superintendency, asked for his throttle again.

One is sometimes divided between the two views—that ability is scarce in the world, and that it is abundant. The question was once raised among a company of men of affairs—How many high officers in public, or semi-public service, are the superiors in ability of their chief subordinates? One, with a wide knowledge of lands and men, said he

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thought that perhaps two in five would be the average.

"Oh," said another, who had sat in Parliament, "your percentage is far too high. There may be ten able men in the House of Commons—one in sixty-seven!"

It is true that many men in railway service have a lower estimate of their own ability than their superiors have had; and that they have remained stationary because they hadn't the courage to rise when the chance came. There are others — not many—who have risen pretty high because, in the man-power of a railway there is something like the steam-power which moves trains. A man may be just as powerful as a locomotive; and just as narrow, and just as helpless if he doesn't stay on the track where he was put.

Here, for instance, is a youth in an office, blessed with the great virtues of willingness, diligence, method, perseverance, and the ambition to better himself. He isn't everlastingly looking at the clock. If he is asked to stay late, he shows that he likes to be thought important enough to be invited to share an extra burden. All these distinctions may belong to a head which does not harbour an expansive, wide-seeing mind. They combine into an efficiency of a sort that is not at all to be despised, and which almost inevitably brings promotion.

In spite of the impulses to a liberalized mastery of his work, such a man will develop qualities that magnify the tendency to use red tape which afflicts some officials in all large institutions, from Govern-

ments down. It narrows the capacity of subordinates through a persistent, but usually unrecognized dread of giving an official inferior full scope to develop any originality he may possess. The fear of the secondary man coming to the primary place is common everywhere. You cannot expect a small man to display the qualities of a giant.

A railway officer, like the centurion who, being under authority, had soldiers under him, may wire two or three thousand miles to a subordinate and know that his directions will be obeyed. Perhaps there is no more potent inducer of a sense of authority than this ability to command, at long range, by the invisible messenger. It sometimes produces in a railway official, to whom the wires are free, a rather morbid pride in keeping in touch with his office when he is away, by making his office keep constantly in touch with him. An old colleague used to say that if he could edit the departmental telegrams of any leading railway system on this continent, and be paid a cent a word for prevented verbiage, he would become disgracefully rich in five years.

The admirable tendency in executive efficiency—the encouragement of initiative—is represented by the practice of the departmental head whose duty carried him often and far afield — frequently for weeks at a time he would be absent from his office. He secured the ablest assistance his appropriation afforded; and when he went away his instruction to his deputy was:—"Don't bother me with telegrams, unless it is absolutely necessary—

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I assume you are equal to your job. Whatever comes up, don't be afraid to deal with it, according to your best judgment. Always have a clear reason for whatever action you take, and when I come back I will back you up, even if I don't agree with all you have done."

It is rather a tempting excursus—this discussion of the discovery and use of executive ability; but it must be passed by, with the further remark that, on the whole, railways, as I have known them, are staffed by able, conscientious men, in all ranks; and that, while our twenty years of phenomenal expansion cannot recur, and the scope for promotions will be limited, compared with what it was, railway service will always be a great arena for the use of talents of the highest order, even though they may first be exercised in the most unlikely-looking corners of a great system.

Railway rivalry is as keen as any other rivalry in business or politics, though I think it is healthier than what one sometimes sees in the political sphere, where ultimate rewards and punishments lie with electorates who may have given no study to the affairs they judge. Human nature being human nature, the personal equation sometimes enters prejudicially into the larger responsibilities confided to individuals.

The public has occasionally seen it in speed contests and rate wars. In the middle eighties the Grand Trunk, stung by the too challenging advent of the C.P.R., and both lines being subject to certain personalities which should have subdued themselves, ran competing trains between Ottawa and Montreal in something over two hours. For several years, owing to incompatibilities at the top, the Grand Trunk and C. P. R. did not exchange passes. When the Grand Trunk Pacific was building, and a Grand Trunk Pacific man had business in Montreal, although the shortest way was by C. P. R.—and the journey would bring revenue to the C. P. R. sleeping and dining car departments—he travelled via Chicago, because President Shaughnessy and President Hays had fallen out.

William Mackenzie to say that they did not get along well together. The explanation was in the conscious majesty of the C.P.R. in presence of a rival which had carried all the marks of infant feebleness and youthful audacity; and in the natural-born imperiousness of a man who knew without boasting of it, that he was doing a great work, and did not need, on his abilities, to take second place to any native or adopted Canadian. But even here, the individual incompatibility could be subordinated to a statesmanlike regard for interests which were greater than either man's temperament—of which two instances may be given.

Perhaps the most brilliant stroke the Canadian Northern ever made was the acquisition of the line from Regina to Prince Albert from its owners, and away from its lessees the Canadian Pacific. When it is said that at the beginning of its operation as a Canadian Northern branch the old Qu'Appelle and Long Lake furnished six million bushels of wheat

for delivery at Port Arthur, the importance of the change may be appreciated. It gave us main line haulage equal to 600,000 miles for one full-loaded car.

In the fall of 1906 the lease to the C. P. R. was expiring, and the owners of the railway offered it to the Canadian Northern. Mr. Mackenzie caused Sir Thomas Shaughnessy to be asked whether he desired to retain the road, as he would not negotiate if the C. P. R. wished to retain the property. The reply was a speedy "No," and the transfer was settled that very day.

On the other side of the account—a time came when it was thought that some closer association between the C. P. R. and C. N. R. might be advisable, in view of the impending competition of the G. T. P. against both. Sir Thomas Shaughnessy, meeting a Canadian Northern officer one day in Montreal, took him to his room; and said there was an opportunity for better relations between the two lines. He and Mackenzie, Sir Thomas said, didn't get along very well, but that needn't make any difference. Wouldn't his present friend and old colleague take the matter up, in a friendly spirit, with Mackenzie? The effort was made, with excellent prospects of success, until political consid—but that's another story.

These things are mentioned because, when one goes on to say that railway relations are fully as good as human nature and commercial competition will permit, it must not be understood that anything like Christian perfection is claimed for our

sort of people. Speaking broadly, but very comprehensively, the personal relations of railway chiefs are excellent. When difficult questions have been fought over, and fought out, friendliness resumes its wonted dominion over the contenders. It would be said by my friends Mr. Beatty, President of the C. P. R., and Mr. Kelley, formerly President of the Grand Trunk, I think, that our relations were always of the happiest, whether we were associated competitively, or co-operatively.

Mr. Kelley, who dropped out of Canadian activities when the Grand Trunk organization was nationalized, was like M. H. MacLeod, in his change from engineering to general administration. He was an American with a wide range of construction experience, abroad as well as in the western United States when the Indians were a menace to advancing civilization.

Mr. Beatty, too, is an example of what is regarded as a change of profession. He went to the C.P.R. as a young lawyer; and became president at forty years old, after several years' headship of the legal department. He exemplifies the great truth about administrative quality—that it is not routine proficiency, but grasp of varying conditions, and capacity quickly to reach and execute decisions which constitute the title to supreme executive control.

When, in October, 1918, Lord Shaughnessy retired, and Mr. Beatty became his successor, a very experienced C. P. R. director was asked why so young a lawyer had been so remarkably elevated. "Because he is the best-equipped man for the job," was the complete answer.

I do not think it is true that as men of affairs grow older they are prone to look back and say there were giants in those days. As a father rejoices in his son's eminence, so an old railroader is delighted to see executives who are young enough to be his boys conspicuously displaying every mastery of their work. After all, to have any other disposition would indicate that the generation going down the hill had been unable to impart anything worth while to those who are ascending the heights.

One's pride in President Beatty as a man who adorns his profession, and dignifies every phase of Canadian achievement he touches, is the gratification of a competitor as well as the appreciation of a colleague during the strain of war. The Canadian Pacific is a Canadian institution; and I am certain that in its first Canadian-born President it has a chief whom his countrymen will have abundant cause to honour without waiting for his absence to direct attention to the value of his presence.

Raifway relationships were doubly gratifying during the war, which had its compensations. The question arose of obtaining the maximum efficiency of war service from the Canadian railways, as it had more instantly arisen in Britain, and was fated to appear in the United States. In Britain there was a Governmental amalgamation of railway ser-

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vices, as there was in the United States several years later.

Something like the British method was proposed in Canada; but the Government decided to put patriotic efficiency up to the railways themselves. The Railway War Board was the outcome.

It was established in co-operation with Dr. Reid, Minister of Railways and Canals, who showed in this, as in the subsequent setting up of the Canadian National Board of Directors, an exemplary superiority to political influences. His letter to me, at the handing over of the Government railways to the directors who were appointed to administer the Canadian Northern, containing the most explicit assertion of the necessity for conducting our business on a purely businesslike basis, was, I have no doubt, all the more readily written, because of the experience already gained, of how the railways could serve the nation and the war with disregard of the ordinary rivalries of competitive business.

We who served on the War Board can say that we gave to the nation the maximum of efficiency and economy in our power. We merely did our bit. We never looked for a word of gratitude from Parliament—and proved the wisdom of "Blessed is he who expecteth little."

Curiously, the Government ownership of rail-

Curiously, the Government ownership of rail-ways played an absolutely unique part in this phase of railway history. The Intercolonial, in a wonderful, and totally unforeseen way, justified its building as a political railway. One is the more de-

lighted to say this, because of a somewhat different tone that has perforce been discernible in one's allusions to some aspects of its administration from its earlier to its latter days.

For three years our Atlantic ports absolutely saved the situation, as far as Canada's sustained support for the war was concerned. Until the United States followed our example, in April, 1917, the short-line military access to the Atlantic ocean during the winter was not open to Canada. We couldn't reach Portland by the Grand Trunk, or St. John, freely, by the C. P. R., because either movement meant using a foreign neutral for military purposes. The Intercolonial, therefore, was our true approach to Europe.

But the Intercolonial ran only from Montreal; and troops and supplies had to come from all over Canada. There could not be efficient movement from and to Montreal without co-operation in all the country between Montreal and Vancouver and Prince Rupert. The four main Canadian railway systems for war purposes were, therefore, operated as one vast national system. The Intercolonial in winter and spring was the only small end of the funnel. In summer, as Halifax was the nearest port to Britain, and the submarine menace made the shortest possible sea voyage more important than short land journeys on this side of the Atlantic, the Intercolonial was also in extensive use.

In several vitally important respects the Intercolonial was more consequential than the other lines combined. It had to receive a larger proportion of wounded and returning troops than any of them. The first provision for hospital trains fell on the Intercolonial; and the "fish trains" were its peculiar care. Before coming to the "fish trains" part in making the world safe for democracy, let a word be said about Moncton's and Halifax's patriotic service.

Moncton, perhaps, excelled all other Canadian cities in the constancy of its beneficence to soldiers going to the war. Never a troop train reached Moncton the soldiers in which did not receive hospitality from the citizens, and inspiration from the town band. On one day, for example, the band gave melodious welcome to eleven trainloads of soldiers. Many of the players were Intercolonial employes, who sacrificed much time and money to speed the departing warriors.

Halifax was blown to pieces by the war. But her recovery from the worst disaster that has befallen any Canadian city was swift and courageous. With troops going or coming, on many of the biggest steamers afloat—the Olympic was the greatest ferrier of valour the world has ever seen—there was promptitude and skill in every movement out and in. During demobilization Halifax was used in summer as it had been during hostilities, in the interest of speed. On the morning of July 9th, 1919, the Olympic docked at No. 2 pier at 7.15. The first special train, Intercolonial to Montreal, thence C.P.R., to Vancouver, pulled out at 7.40, the next at 8.02 and the third at 8.15. The eleventh special from the Olympic, brought the total of men

disembarked up to 5,430, and left at five minutes past eleven.

"Fish trains" carried British gold to be minted at Ottawa, most of it to be sent to the United States to pay for war material. "Silk trains" carried Chinese coolies who were brought across the Pacific to work behind the trenches in France and Flanders. Between July, 1917, and April, 1918, sixty-seven "silk trains" entered Halifax carrying 48,708 coolies. But the coolies, even when they could be kept behind blinds, were not as interesting as the boxes of gold, of which the public knew nothing, and about which observers along the route were mystified indeed.

Warships brought to Halifax gold cargoes each worth from ten to twenty million dollars. The average sized "fish" special consisted of six baggage cars (the first as a buffer behind the engine, and accommodating guards), and a private car, in which were railway officials. At night an armed guard rode on the engine. Through a train telephone, notice was given of anybody having authority to pass through the cars.

The most precious "fish train" was of eleven cars, holding sixty-seven million dollars. A wheel tapper at a division point said to another, "I wonder what kind of a train this is, with so many baggage cars and no passengers."

"I've heard it's carrying gold," said the other.

A discussion of the values followed, and the estimate was made that the freight was worth from ten to fifteen thousand dollars.

After all, these features of war service were only unusual variations from phases of railway management which are special to Canada. We love our climate. Canadian children would almost as soon lose the summer as do without the winter. But there are certain disadvantages in our relationship to the North Pole. It is all very well to say that things don't grow in the winter, anyway—not even in Texas. But the longer the winter the more handfeeding of cattle there must be. A Cobalt silver mine's ore mill must be heated in winter, as one in Mexico need not be. It takes more coal to keep up locomotive steam in forty below zero than must be burned at forty above.

Trains fall behind their schedules in very cold weather, not because of operating inefficiency, but because temperature is the mightiest tyrant in the world. Compared with the southern states, or northern England, for example, equipment must be built to subdue Jack Frost in his sharpest mood. Treble windows, asbestos-covered steam pipes beneath the cars, to withstand the piercing cold and the rushing wind, which takes the heat from them faster than the summer sun drinks dew—these are some of the factors against time-keeping when the thermometer is low.

Dripping water from wash-rooms or dining-car kitchens will often freeze the outlets of pipes. When the train is examined at a division point, instead of the customary ten minutes for testing, and priming the cars with ice and water, twenty or

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thirty are occupied thawing out the pipes at crucial spots.

If, when winter comes, there were a freezing of the track, and no thaw until the spring break, care of lines would be comparatively simple. But the all-powerful temperature is as changeable as an April sky.—Thaws and rains arrive, switches and sidings must be kept clear of ice, so that when trains pass or turn in there is no uncertainty about where they will go. Depressions and elevations in the roadbed, through the freaks of frost, compel the adjustment of the rail levels—shimming it is called—which makes spring travel somewhat unstable.

The item of station and water-tank fuel is big. How many people realize that every water tank must be heated, night as well as day, from fall to spring, and that in most cases the water supply must be maintained by a man who patrols perhaps fifty miles of line on a gasoline-driven jigger, doing nothing but pumping and warming water?

It isn't all lavender, this running of railways in a Canadian winter. One's admiration for the constancy of the men who are out on the line never diminishes—it is good medicine to have walked half the night in thirty below zero to obtain help for a frozen-up train on a pioneer line. As we are touching on the service of workmen, perhaps this is a suitable place to name a feature of the Railway War Board's work which deserves far more appreciation than can be given to it here.

Formerly each railway was a separate entity, as far as the trade unions were concerned. The war brought about a unification which is still effective in many respects. For all labor matters we formed a Board of Adjustment on which the railways and the unions had equal representation. The chairman was changed every six months, the companies and the unions supplying him alternately.

Every contested case of discipline came before the Board, as before a Court. It was threshed out, and a decision arrived at, by which the company concerned stood, even though it was against the grain to reinstate a man whose dismissal was believed to have been justified.

In no case was it necessary to call in an independent authority to review a judgment of the Board of Adjustment. The labor representatives were as judicially minded as their colleagues. I did not sit on this Board, but was, of course, in the closest touch with its work and results. Nothing finer in desire for, and capacity to get at the truth could have been displayed than the men's representatives invariably showed.

It must not be supposed that one's admiration is confined to what, for the want of a better word, must still be called the lower ranks of the service. After all, a railway is an entity of vast ramifications. To be a true success it must work effectively in all its parts, and win the goodwill of those whom it serves. It would take pages and pages to sketch, ever so fragmentarily, the wealth

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of comradeship, official and otherwise, which was woven into half a century's railway service.

Publication of these recollections has renewed, in lively fashion, many memories and associations which one had rather supposed the years had dimmed. Survey of what has been written and received makes it only too clear how inadequately one has shown forth the excellence of friends and comrades whose goodwill, forbearance and support have made a long and exacting toil infinitely worth while.

APPENDIX A

ABRIDGED SPECIAL REPORT OF THE OPERATING AND MAINTENANCE DEPARTMENT, CANADIAN NATIONAL RAILWAYS, FROM THE FALL OF 1918 TO THE END OF 1921.

The following account of the operating and maintenance department of the Canadian National Railways is a shortened form of the report of the Vice-President in charge, which was included in the comprehensive survey of the railways' position, submitted by the President to the Hon. Mr. Kennedy, on his becoming Minister of Railways and Canals, and as the outcome of the interview mentioned on page 265. Perhaps no report which has reached the public gives so succinct and comprehensive a sketch of the manifold activities of the operating and maintenance department of a great railway system. It is thought these appendices will be of some value to Canadian taxpayers who are interested in knowing how their money has been spent on railways account.

The Management of the National Railways, during 1918-21, was required to weld a number of disjointed and separately operated Railway properties into a single system, completely rearrange jurisdictional territories, and reorganize all departments, dispose of the accumulated arrears of work in connection with the maintenance of equipment and permanent way and structures, provide large quantities of new rolling stock, develop and inaugurate the use of new standards, systems, methods, plans and forms, while dealing with the most extensive and important wage movement that ever took place in the history of roadbuilding.

The functions of the Operating and Maintenance Department may be broadly grouped as follows:

- (a) Transportation (i.e., train and station service).
- (b) Maintenance of rolling stock.
- (c) Maintenance of track bridges and buildings, including the provision of additional facilities or the extension or improvement of facilities on all lines, excepting those still under construction.

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. The Railways are generally divided into two grand divisions, viz:

EASTERN-6,828.0 miles; embracing all lines situated east of Armstrong, Ont., and Port Arthur, Ont., and extending to the Atlantic Coast, including Prince Edward Island. In charge of a General Manager whose office is at Montreal, Que.

WESTERN-10,030.4 miles; embracing all lines Armstrong, Ont., and Port Arthur, Ont., and west to the Pacific Coast, including those on Vancouver Island and the Duluth Winnipeg and Pacific Railway. In charge of a General Manager whose office is, at Winnipeg, Man.

Eastern Lines are again subdivided into three General Superintendents' Districts, viz:

District Located Headquarters at Miles Maritime—Principally in Maritime Provinces Moncton, N.B. 2671.3

Quebec —Principally in Quebec Quebec City 2356.1

Ontario —All in Ontario Toronto, Ont. 1800.6

Western Lines are subdivided into four General Superintendents' Districts, viz:

District Located Headquarters at Miles Central —Principally in Manitoba (including Duluth, Winnipeg and Pacific Railway lines in Minnesota 172.6 miles).

Prairie —Principally in Saskatchewan Saskatoon, Sask. 3181.8
Western —Principally in Alberta Edmonton, Alta. 2162.5
Pacific —Principally in British Columbia Vancouver, B.C. 1529.5

Note—In the Pacific District, an Assistant General Manager is in charge instead of a General Superintendent, on account of its remoteness from General Manager's headquarters.

General Superintendents' Districts are again subdivided into Superintendents' Divisions, each averaging approximately five hundred miles.

The general division of territory under General Managers, General Superintendents, and Superintendents is substantially the same as on the Canadian Pacific. The General Managers', General Superintendents', and Superintendents' staffs are also generally similar to those on the Canadian Pacific, and the division of duties and responsibilities, and the relationships between sub-departments are substantially the same.

The actual work of operation is divided between sub-departments as follows, and the first five functions are those generally handled divisionally, while the balance are largely controlled by departmental organization.

1: TRANSPORTATION:—Operation of trains, switching in yards, operation of freight houses, team tracks, etc.

Car Service and Car Accounting—Having to do with the distribution, movement and record of cars, and collection of per diem and demurrage.

- 2. MECHANICAL:—Maintenance of locomotives, cars, work equipment, including shops and roundhouses, and the preparation of plans, specifications, etc., for new equipment.
- 3. MAINTENANCE OF WAY AND STRUCTURES:—Maintenance of track, bridges, buildings, and the provision of additional or improved facilities on operating lines.
- 4. POLICE AND SPECIAL SERVICE:—Policing and protection of Company's property, investigating of irregularities, etc.
- 5. MEDICAL SERVICE:—Physical examination of employees, attention to persons injured on the railways, and general supervision of all matters relating to the health of employees and patrons.

Note: Associated with this Department is a Safety organization for the prevention of personal injuries.

6. TELEPHONE AND TELEGRAPH SERVICE:—Local services of this character, and being actually a part of the Transportation Department.

Note:—All through telegraph service, whether Commercial or Railway business, is provided by Canadian National Telegraphs.

7. DINING AND SLEEPING CARS, AND HOTELS:—Operation of dining, sleeping, parlor and tourist cars, and hotels, restaurants, etc.

(In charge of a Manager, who reports directly to the Vice-President.).

- 8. COAST STEAMSHIPS AND FERRIES:—Operation of Grand Trunk Pacific (British Columbia) Coast Steamships and certain car ferries, tugs; barges, etc., employed on both the Pacific and Atlantic Coasts in connection with Railway operations.
- 9. ELECTRIC RAILWAYS, (126.2 Miles):—Operation of certain electric railways in Ontario. Each of these lines is in charge of a general officer who reports directly to the Vice-President in charge of the Operating and Maintenance Department.

The organization is a combination of the departmental and divisional systems and is arranged along the general lines that the experience of the Canadian Pacific and Canadian National Railways has shown to be best for the conditions and vast territory involved. Each territory has a substantially complete organization, under a single officer, who is required to follow the general policy and

observe the standards prescribed by the expert at the head of each sub-department. For operating action the organization is divisional, but the work is planned and prescribed under departmental standards, subject to the approval of the territorial Executive head of Department.

The Vice-President in charge of the Operating and Maintenance Department has the following Staff Assistants:—Transportation Assistant, Engineering Assistant, Mechanical Assistant (Locomotives), Mechanical Assistant (Cars), General Superintendent of Car Service, Statistician, Chief Electric Engineer, Engineer of Standards, Superintendent of Police and Special Service.

TRACK AND STRUCTURES:—Tracks were showing the cumulative effect of the stress of the War years, during which an abnormal volume of business had to be handled over portions of the system, particularly lines east of Port Arthur, and the maintenance work on all lines was abnormally difficult on account of the shortage and inefficiency of labor, and the difficulty and time necessary to secure supplies of material.

Vigorous action had to be taken to permit of satisfactory service. This work has been energetically carried on with gratifying results insofar as economy, regularity and safety of transportation are concerned. Unfortunately, prices and scarcity of labor and material continued to increase until the latter part of 1920, with the result that the cost of performing this absolutely necessary work was abnormally high during the first two years.

RAILS:—Most of the main line east of Winnipeg was laid with 80 or 85lb. rails, but many miles of main lines were still laid with rails on branch lines had to be replaced, on account of wear, and their inability to carry heavy cars.

Parts of the main lines west of Winnipeg were already laid with 80 or 85lb. rail, but many miles of main lines were still laid with 60lb. rails which, on the more important traffic sections were replaced by 85lb. rails, and the lighter steel thus released was used on branch lines under construction.

The installation of heavier new rails does not necessarily imply the scrapping of the rails that are taken up. They are generally used over and over again. In this way a large mileage previously laid with light rails has been equipped with 80 or 85lb. sections.

The statement of new rails purchased for application during the years 1919, 1920, 1921 and ordered for 1922, follows:—

Year	Tons	Miles
1919	92,703	692.0
1920 '	67,238	532.0
1921		559.0
1922 (on order)	51.000	360 0

TIES:—The general condition of ties on the older lines, due to deferred maintenance during the war necessitated an abnormally high percentage of renewals. On the Eastern branch lines very large numbers of ties had to be installed immediately, to maintain traffic with reasonable safety.

The situation was markedly aggravated because of a very large mileage constructed between 1910 and 1914 on which the original ties had to be largely replaced, the average life of untreated softwood ties being approximately eight years.

The condition of ties on these lines of late construction is now approaching normal, and on the older lines is satisfactory.

The new ties laid for maintenance and not for new construction, are as follows:—

Year	Number	Average Cost
1919	7,203,532	.73c
1920	7,245,035	.81c
1921	5,898,374	.85c
1922 (ordered)	4,500,000	.57c
(to be applied	5,500,000	

BALLASTING:—A great deal of the mileage was insufficiently ballasted. Speed of trains was restricted, riding qualities were wholly unsatisfactory, and the expense of constantly restoring track to passable surface and alignment was unnecessarily high.

Some of the more recently constructed main lines were fairly well ballasted when built, but a good deal of the ballast was, as is usual, absorbed in the embankment before it solidified. As the dump settled it left many sags and irregularities in the track. It was imperative to apply a very considerable amount of ballast in excess of what might be considered normal for older track. Most of this extra work has been performed. This experience in connection with new lines is common. Track is not usually considered to be stable until it has been ballasted three times. The use of heavier locomotives and cars, to secure economical operation, also necessitated heavier ballasting on certain sections.

The improvement in track conditions has been most marked, and we are now enjoying better riding, greater track stability, and less cost of maintenance.

BRIDGES, TRESTLES AND CULVERTS:—Prior to the period under review, the Intercolonial main line bridges had generally been replaced by heavier structures to carry larger and more powerful locomotives. But construction of double track at certain points necessitated new double track bridges, the most expensive one being over the Tantramar River in New Brunswick.

The situation on the branch lines, including the Halifax and Southwestern Railway was very unsatisfactory. The steel bridges were generally of insufficient strength to safely carry the heavy cars coming into general use on all roads. The wooden structures required complete replacement or very extensive repairs. While a considerable number on those branch lines require attention in the near future, most of them have been dealt with.

The National Transcontinental bridges were generally of a high standard, but some pile trestles, particularly at points where the foundations were uncertain, have been replaced.

On the Canadian Northern Quebec lines the bridge situation was very serious. Bridges are very numerous. The large steel ones were generally too light for heavy locomotives. Replacement of the timber structures was imperative. Traffic from the paper and pulp industry had so rapidly increased, that it could not well be handled with the comparatively small locomotives that could use the bridges. It was expedient to reduce the loads of large capacity cars, or to place lighter cars between them to ensure safety. Besides the inability to handle satisfactorily all of the traffic offered, the use of so many train units was extremely wasteful. There was no alternative but to replace most of the bridges.

This work was undertaken in the spring of 1918, to make the main line between Ottawa and Quebec, between Montreal and Joliette; between Garneau and Riviere au Pierre; and between Quebec and Chicoutimi; suitable for Mikado locomotives, with a tractive effort of 53,000 lbs, compared with those of 25,000 and 30,000 lbs. formerly available. With a very large increase in the tonnage and decrease in the number of trains, the economies in operation are very great.

On the Canadian Northern main lines between Ottawa and Port Arthur, and Toronto and Capreol, while steel bridges of high classification were provided over the principal streams many ravines were crossed by timber trestles, the intention being to fill them with earth when the lifetime of the original timber had expired and provide steel or concrete structures over the streams.

There were eighteen miles of timber trestles on these lines in Ontario. To date about one-half of this mileage has been disposed of.

The same policy in respect to timber trestles was followed on the Canadian Northern and Grand Trunk Pacific Railways in the West.

There are many large timber structures on the Grand Trunk Pacific between Winnipeg and Prince Rupert, and also on the Canadian Northern between Warden and Brazeau in Alberta. Again, on the line between Wayne and Calgary there are many comparatively small trestles but about one-third of them have

been replaced. There are also quite a number of timber structures on the Canadian Northern between Edmonton and Vancouver, but most of them are small. All large openings are crossed by heavy steel bridges.

STATIONS AND OTHER BUILDINGS:—The only large stations that have been constructed are terminal buildings at Levis, Capreol, Hornepayne and Rainy River. Ordinary stations have been erected at intermediate points either to replace ones destroyed by fire, or under order of the Board of Railway Commissioners to meet the demands of increased traffic.

The roof of the train shed at St. John collapsed in 1919 as a result of age and corrosions, and was entirely removed, temporary wooden umbrella shelters over platforms being substituted. The station building itself has also suffered to some extent, apparently through the settlement of foundations. Plans have been prepared for a new station of different type, suitable to the peculiar topographical conditions, but as grade separation and the cutting down of grades are involved, an agreement with the City is necessary before any work can be undertaken.

Numerous enlargements of freight sheds and express buildings have also been made, to provide for growing traffic.

Owing to labor shortage, it was exceedingly difficult to maintain section forces, largely on account of lack of living accommodation at isolated points. It was found necessary to build section houses each year. This policy will necessarily have to be continued for several years before the lines are completely equipped.

On account of the newer main lines running through thinly populated territory, and the terminals being located where no previous settlement existed, it has been necessary to build cottages for our employes, notably, Napadogan, N.B., Parent, Que., Capreol, Hornepayne, and Atikokan, Ont., Kamloops and Boston Bar, B.C. No further large expenditures in this connection are anticipated, except at Edson, Alta., on account of the Canadian Northern and Grand Trunk Pacific consolidation.

On account of rapid development of lumbering and mining north and west of Sudbury, the lack of accommodation for unmarried employees at Capreol became acute. Adopting the practice of the Grand Trunk and Canadian Pacific Railway, a building was erected at that point and turned over to the Railway Y.M.C.A. to operate. This institution has been of great benefit to the employees, and has undoubtedly resulted in improved morale and better service. Several other points on the System greatly need some facility of this kind.

Water Supplies:—East of Winnipeg good water is so abundant that the only work required was to ensure the regular supply, or

in a few instances, to provide new supplies to facilitate traffic movement, or to substitute gravity or hydraulic ram operation instead of pumping to reduce the cost. This applies also to western Alberta and all of British Columbia.

Between Winnipeg and Edmonton, or Calgary, the situation is entirely different. Rivers are few and far between and the difficulty of securing adequate supplies of water at proper intervals is very great. Much of the water obtainable from wells or small lakes is so heavily charged with suspended matter or salts in solution that it produces scale on the interior of boilers, causing them to leak so seriously as frequently to result in complete failure on the road, and greatly to increase the consumption of fuel and boiler maintenance costs.

There are many stretches between water tanks of such length that locomotives could not pull fully loaded trains with the water carried in their own tenders and had to draw one or more water cars behind them. Until recently, it was at times necessary to employ from one hundred and fifty to two hundred water cars simultaneously. This practice is very expensive, as each car usually displaces a revenue load, its maintenance cost is very high, and the trouble and delay at terminals incidental to their use are very great. On a single G.T.R. subdivision of less than a hundred miles, during a period of heavy traffic, water cars on trains, cost \$10,000 per month.

A certain amount of work was done each year, but was undertaken on a much larger scale in 1921. Pipe lines of considerable length have been constructed to obtain water from several streams. Numerous existing wells have been deepened or enlarged. But, in general, the policy has been followed of providing storage reservoirs by excavation, or by the damming of ravines. or by a combination of the two, in which to catch and hold the water resulting from melting snow in the Spring of the year, or from rainfall. This water is the best obtainable on the Prairies. The open storage arrangement has the advantage of showing at any time the total quantity of water available.

TELEGRAPH AND TELEPHONE—Lines east of Quebec, and west of Port Arthur, were moderately well equipped with wire facilities, but between Quebec, Montreal, Toronto and Port Arthur there were only two iron wires, both of which were used exclusively for local railway operation.

The consolidation of the Canadian Northern and Canadian Government Railways into the Canadian National System, with head-quarters at Toronto, greatly increased the volume of telegraph business with that city; and it immediately became necessary to

provide some additional circuits. In 1919 two copper wires were strung between Toronto and Quebec, and between Toronto and Winnipeg, and, later, an additional copper from Quebec to Toronto, and two additional from Toronto to Winnipeg. Two of these wires are used as a metallic circuit for telephone train despatching and they are also used at the same time for simplex telegraph service. The remaining two are assigned to the Canadian National Telegraphs for commercial business.

An iron wire was strung from Edmonton to Vancouver and an additional iron wire from Kamloops to Vancouver to meet pressing requirements, but increased facilities between the former points are still required.

Telephone train dispatching circuits were also extended on the Intercolonial, and telegraph facilities in the Prairie Provinces were improved.

Metallic circuit telephone service for train despatching is a very great improvement over the telegraph service previously employed, and has now been adopted by all of the larger railways. It is not only much more rapid, thus greatly reducing delay to trains and increasing the total number of trains that can be handled, but in many instances makes it possible to reduce the number of despatches. The train crews carry portable telephones, and when emergencies arise, hook onto the wires and immediately get in touch with the dispatcher. Formerly, to report a breakdown or derailment it was frequently necessary to walk many miles to a telegraph office.

The entire maintenance and operation of telegraph and telephone facilities, except those required for train despatching and local railway purposes, was handed over to the Canadian National Telegraphs in the Fall of 1920. It may be noted, however, that the combination of the general railway and commercial business makes for economy in that a considerable portion of the railway business can be transmitted during the slackness of commercial business.

YARDS:—Island Yard at St. John was reconstructed to provide additional terminal facilities for winter export business.

The yard at Moncton was altogether too short for the trains hauled by the larger locomotives placed in service during recent years, and the situation of the roundhouses and other engine facilities prevented any extension. This lack of track length involved a great amount of terminal delay and extra switching. The handling of the numerous passenger trains was exceedingly difficult and expensive. The roundhouses, built many years ago for small engines were altogether unsuitable. The coal dock was worn out; and all other facilities were wholly in-

adequate for present requirements. The lack of proper facilities at this point where a very large number of trains were handled, involved much additional expense in operation, and, at times made it impossible to give satisfactory service.

It was decided at the beginning of 1920, to provide new engine-house facilities and extend the yard. Land was acquired for immediate and future requirements and a certain amount of grading and the construction of a large culvert were done. Last Spring the additional yard grading, and the construction of a 40-stall enginehouse, with machine shop, power house, stores building, coal dock, water tank and ash pits, were undertaken by our own forces, and the buildings have been occupied since December 17th, 1921.

The principal roundhouse, engine terminal and yard of the Intercolonial in the Quebec District is at Chaudiere, a short distance southwest of Quebec City, but there was also a large roundhouse at the north end of the Quebec Bridge, built by the National Transcontinental Commission. The Grand Trunk had a small enginehouse at Point Levis. All three were being operated at much unnecessary expense. The facilities at Chaudiere were enlarged in 1920 and 1921 and all engines in that vicinity handled there at a saving of \$75,000 per annum.

Canadian Northern engine terminal facilities in the east end of Montreal were unsatisfactory. A 10-stall enginehouse, with stores building, machine shop, and all other usual facilities, has been constructed at Longue Pointe.

The roundhouse at Hornepayne, Ont., destroyed by fire in 1920, was replaced by a permanent structure of a new design, to meet the extraordinary snow conditions, and extreme cold of that region. On Western Lines, it was necessary to rebuild in brick or concrete, the wooden roundhouses at Atikokan, Rainy River, Kamsack, Humboldt, and North Battleford.

At Saskatoon, the original Canadian Northern yard is in the centre of the City. Our facilities became wholly inadequate during periods of heavy traffic. Canadian National and Grand Trunk Pacific co-ordination greatly increased the pressure upon this terminal. The two railways intersect at Nutana, in the southern part of the City. Suitable land was available there. Work was commenced upon the new yard, enginehouse and other terminal facilities in 1920. The terminal has been in use since November, 1921.

Except at Quebec, Montreal, Ottawa, Toronto and Fort William, terminal facilities are now fairly satisfactory and apparently no very large expenditure at any one point will be necessary during the next few years although the growth of traffic at Winnipeg is so rapid that it may possibly enforce some improvements at that point.

At Quebec, Montreal, Toronto and Ottawa large developments are involved, which will require a great deal of careful consideration. Some additional facilities are immediately necessary at Quebec City, to take care of growing traffic, and a proportion of the Grand Trunk business.

At Fort William it is imperative that large modern yards and terminal facilities be constructed immediately. Otherwise it will be impossible materially to increase the grain traffic that can be handled from the prairies to Lake Superior. Favorable options have been secured upon suitable property, a very satisfactory tentative agreement has been made with the Township of Neebing, for the closing of streets, fixed taxation, etc., and plans have been developed.

REPAIR SHOPS:—The chief plants for repairing equipment, manufacturing material, etc., are at Moncton, N.B., St. Malo, (Quebec City), Leaside (Toronto), Transcona (near Winnipeg), Fort Rouge (in Winnipeg). Smaller plants at which a limited amount of general repair work is performed are at Riviere du Loup, Que., Limoilou, Que., Capreol, Ont., Port Arthur, Ont., Saskatoon, Sask., Edmonton, Alta., Port Mann, B.C., and Prince Rupert, B.C.

The outstanding developments were the equipment and opening of the large St. Malo Shops, Quebec, and the construction and opening of the moderately-sized plant at Leaside, Toronto. The former plant, constructed by the National Transcontinental Railway Commission, was completed in 1914, but was neither equipped with machinery nor used until 1919. The lack of adequate repair facilities in the Province of Quebec, together with the rapid growth of traffic, produced a serious situation, and the equipping of St. Malo shops was undertaken in 1919, actual repair work being commenced in the fall of that year.

There were practically no repair shop facilities on the National Lines in Ontario. A very serious situation in regard to the condition of equipment having developed, work was commenced early in 1918, at Leaside, a suburb of Toronto, upon a moderately-sized plant for the repair of locomotives and cars, which began operation in 1919. This plant is not of great capacity but the necessary land is owned by the Railways, and the design of the plant will permit of large extension. As the principal repair shops of the Grand Trunk Railway are located at Montreal, Que., Stratford and London, Ont., that Road having no important repair facilities at Toronto, it is likely that under co-ordination it will be found advisable to enlarge the plant at Leaside, to take care of some of the Grand Trunk work. It is highly desirable that a freight car shop be provided at Leaside at an early date.

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It is unlikely that any large extensions will be required in the plants at Moncton, Transcona, and Fort Rouge, in the near future, but there is immediate need of a medium-sized plant at Edmonton, as there are now no adequate facilities for repairs between Winnipeg and the Pacific Coast, and only a freight car shop of moderate size at Port Mann, B.C. As the distance from Winnipeg to Vancouver is 1,565 miles, and from Winnipeg to Prince Rupert 1,758 miles, and as most of the equipment has to be hauled to Winnipeg for general repairs and then hauled back to the point at which it is to be used, a large saving can be effected. Highly suitable property at North Edmonton is owned by the Grand Trunk Pacific, and plans for a plant there are in preparation.

ROLLING STOCK:—The rolling stock owned was wholly insufficient. Very little new equipment had been provided since 1913, and traffic had grown enormously. It was impossible properly to maintain the equipment during the war, on account of the shortage and inefficiency of labor, difficulty of securing materials, and lack of shop facilities in Ontario and Quebec. The situation was aggravated by the shortage of equipment on United States railways. Canadian-owned cars sent into the United States loaded with paper, pulp, pulp-wood, lumber and other commodities, were generally retained by the American roads.

The National Railways are the originating lines for a large volume of the classes of traffic referred to. As it was generally impossible to secure a sufficient number of American-owned cars to move the products enumerated above, the volume of which had grown enormously during the war, we were faced with the alternatives of supplying cars for the export of commodities referred to, thereby incurring the risk of losing some of their equipment for an indefinite length of time, or by refusing to furnish their cars for this business, to deprive the paper and lumbering interests of Canada of the means of exporting their products, thus causing serious injury to the business of the country, and tending to aggravate the already serious exchange situation.

The policy adopted by the Canadian National Railways under these conditions was to make every effort to secure Americanowned equipment for this traffic, and make up the deficiency as far as possible with system-owned cars. It was the only sound policy, but it deprived the National Railways of a considerable number of their cars, particularly during 1919 and 1920.

The National ownership of locomotives, freight cars, and passenger cars, was relatively below that of the other principal Canadian railways. If all had been available it would have been totally inadequate to meet traffic requirements. The public demand for additional train service, and car supply was most in-

sistent and the actual need of additional equipment very great, so that many new locomotives, freight and passenger cars were ordered in 1918, 1919 and 1920, delivery being generally from six to twelve months after each order was placed.

LOCOMOTIVES: As it was highly desirable to employ the most powerful locomotives in order to handle the maximum tonnage per train, the policy was adopted of only purchasing heavy engines, placing them upon lines with the greatest density of traffic and with suitable track and bridge conditions.

Besides the ordinary repair work a certain amount of locomotive improvements, such as heaters, brick arches, etc., to increase capacity and reduce fuel consumption, which had been commenced some years before, was continued, and is still being carried on.

During the first eight months of 1921, through shrinkage in traffic, several locomotives were out of service, but all engines were employed during the Fall. This extra motive power available on September first, made it possible to increase the volume of grain handled from the Prairies to the head of Lakes during the past four months, as compared with previous years.

Several subdivisions can now carry heavy locomotives for which such power is not available. It is, therefore highly desirable in the interest of economy, that additional freight locomotives be purchased. A few large passenger engines are also badly needed in order to satisfactorily handle heavy through trains on certain sections. Five powerful freight locomotives of special design are essential to handle coal traffic on the Bickerdike branches of the Grand Trunk Pacific. These locomotives would effect very substantial economies, and fully justify the expense involved.

PASSENGER CARS:—One of the first and most urgent problems of the National Railways was the securing of sufficient passenger cars to handle returning overseas military forces. One hundred and thirty steel Colonist cars with wood interior finish were ordered for the earliest possible delivery.

The shortage of general passenger equipment was also extreme. A considerable number of cars in service at that time were wholly unsuitable on account of age, weakness, and obsolete character. The constant increase in the number of cars required to be handled on long-run passenger trains led us to adopt all-steel equipment for main line services. Very careful consideration was given to design, and the new passenger equipment is fully equal to that of any other line.

FREIGHT CARS:—As there was much variation in the freight cars previously ordered by the several lines, each design was carefully considered, and new standards adopted.

Heavier locomotives and longer trains imposed such severe stresses upon the older types of wooden cars that many more repairs were required. During the war cars in bad order accumulated. During Government Control in the United States all freight cars were pooled, and equipment repairs greatly neglected. When Canadian cars were returned in great volume last fall and winter a large percentage were in defective condition. Recently about ten per cent. of our freight cars were in bad order, or about twice the normal number.

Contracts were placed with Canadian car builders some time ago to make heavy repairs to three thousand cars and the forces in our own shops were augmented. The freight equipment should be in normal condition by September 1st.

A serious trouble with freight cars of older designs is the pulling off of wooden draft timbers. Four years ago we began to replace wooden draft timbers with steel members. This greatly reduces the cost of repairs, delays to shipments and trains, and prolongs the life of cars.

The Canadian National lines at the end of 1919 had 1,644 locomotives. At the end of 1921 the total was 1,718. The Grand Trunk Pacific engines at the same periods were 259 and 256. Passenger equipment during the same periods stood at: C. N. R., 1,816 and 1979; G. T. P., 355 and 352. The freight car situation was C. N. R., 1919, 62,576; 1921, 66,591. G. T. P., 1919, 15,232; 1921, 14,908. At the end of 1921, therefore, this Department was responsible for 1,972 locomotives, 2,331 passenger cars and 81,499 freight cars. We also had altogether 4,032 work cars.

C. N. R.—G. T. R. CO-ORDINATION:—Following the acquisition through special legislation of the Grand Trunk Railway System on March 8th, 1920, a mixed Committee of Management was appointed by the Government to co-ordinate the two systems to improve service and reduce cost of operation. This Committee consisted of the following:

Mr. Howard G. Kelley, President Grand Trunk Ry., Chairman. Mr. Frank Scott, Vice-President Grand Trunk Ry., Finance. Mr. W. D. Robb, Vice-President Grand Trunk Ry., Operating. Mr. C. A. Hayes, Vice-President Canadian National Rys., Traffic. Mr. S. J. Hungerford, Vice-Pres. Canadian National Rys., Operating.

A conference of officers of both lines appointed sub-committees to study and report upon various phases of activity, which, if approved by the Committee of Management, were immediately put into effect.

Traffic and ticket offices throughout the United States and Canada were consolidated, terminals and stations were used jointly, track connections were constructed to permit of consolidation,

freight movements rearranged, interline passenger services established, and tickets and passes interchanged. Express services were also closely co-ordinated.

Most of the physical connections and other required facilities have been provided, and authority will be asked to complete the program. Very substantial economies in operation have been secured, and the relative position of the Government-owned lines materially strengthened. The Operating Department consolidations are at the following points:

FREIGHT STATIONS—Toronto, Toronto (Cherry St.), Port Hope, Cobourg, Grafton, Colborne, Brighton, Trenton, Belleville, Napanee, Kingston, Brockville, North Bay, Pembroke, Ottawa (Hurdman), Ottawa, Washago, Rockland, Hawkesbury, Aston Junction, Lyster and Ste. Rosalie.

PASSENGER STATIONS—Parry Sound, Napanee, Brockville, North Bay, Pembroke, Rockland, Hawkesbury, Ste. Rosalie, Quebce, Washago, Kingston, Cobourg, Grafton, Colborne, Brighton, Aston Junction and Lyster.

YARDS-Toronto, North Bay, Hawkesbury, Pembroke, Rockland and Ste. Rosalie.

ENGINEHOUSES—Toronto, Brockville, Pembroke, Hawkesbury, Ste. Rosalie, Kingston, North Bay, Ottawa, Rockland, and Chaudiere.

G. T. P. ABSORPTION:—Owing to the Grand Trunk's difficulties, on March 7th, 1919, the Minister of Railways and Canals was appointed Receiver of the Grand Trunk Pacific, and on July 12th, 1920, an Order in Council was issued appointing the Board of Directors, Canadian Northern Railway, Managers of the Grand Trunk Pacific, acting on behalf of the Receiver.

Immediately the official staffs of the two lines were amalgamated and reorganized. Departmental officers and staffs were also consolidated. Train services were rearranged to secure the shortest routes, and arrangements made for the joint use of terminals and other facilities. Duplicate offices have been abolished, and certain freight sheds, stations and roundhouses have been closed, passenger train services materially improved and freight traffic short-routed, the whole involving very substantial reductions in operating expenses, capacity to handle a larger volume of business, and improved service to the public.

Various physical connections have already been provided, but several important ones remain to be constructed.

The Grand Trunk Pacific has a terminal at Jasper, seventeen miles east of the summit of the Rocky Mountains. The Canadian

Northern has one at Lucerne, five miles west of the summit. The rails were removed from portions of the two lines between Edmonton and Red Pass Junction in 1917, and sent-to France for war purposes. Traffic has since been handled over one route consisting of portions of both lines. Only one of the two terminals mentioned is now required. The facilities at either of the points are not adequate. Something more must be provided at whichever point is selected.

The Operating Department's co-ordinations are:

FREIGHT STATIONS CONSOLIDATED—Winnipeg, Portage La Prairie, Regina, Saskatoon, Prince Albert, Canora, Battleford, Edmonton, Stony Plains, Moose Jaw, Yorkton, Calgary and Evansburg.

PASSENGER STATIONS—Portage La Prairie, Yorkton, Saskatoon, Canora, Battleford, Moose Jaw, Calgary, Prince Albert, Stony Plains, Evansburg and Edmonton.

YARDS—Fort Rouge, Transcona, Winnipeg Terminal, North Regina, Nutana, Prince Albert, Edmonton and Calgary.

ENGINEHOUSES—Winnipeg, Rivers, Melville, Regina, Moose Jaw, Prince Albert, Edmonton, Edson and Calgary.

TRAIN SERVICES:—The regular train services incidental to the co-ordination of Government-controlled lines have been given a great deal of study. We have now daily time freight services between Halifax and Vancouver, with regular connections reaching all important points. The results are gratifying. In the way-freight services substantial economies and improvement in service have been secured.

STANDARD OFFICE WORK:—The co-ordination of independent roads, each with its own methods, systems and forms, necessitated the adoption of new standards.

A staff of engineers has been established at headquarters, which prepares standard plans and specifications, for bridges, culverts and buildings, and develops uniform methods and instructions for the construction and maintenance of such facilities, instead of having it done at the various offices of the Chief Engineer. The members of this staff were generally withdrawn from outlying offices where they were not replaced. The establishment of this office does not represent any considerable increase in cost.

It was formerly difficult to secure satisfactory reports of operations, exercise proper control, or make fair comparisons of results and costs, because there was no uniformity in connection with reports.

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Standard forms of reports and methods have been adopted with very favorable results. A very fine system of Operating Statistics has been inaugurated similar to that in use on Class I United States Railways, which makes it possible for Division. District, General and Executive Officers to know promptly the results from and the efficiency of operation in any territory.

The benefit in reduced operating costs resulting from numerous physical improvements is now being felt. The provision of those contemplated, particularly in respect to water supplies and track connections to short-route traffic, and save train mileage, will also have a very important effect upon operating costs.

Very substantial improvements in freight and passenger train service, in economy of operation and satisfaction to the public have been effected, the latter being indicated by the steadily increasing public patronage. Much of the criticism of the National Lines is due to conditions which are now largely non-existent, or to lack of information as to the character of service now furnished. As a striking example of the progress that has been made, the western grain moved to the Head of Lakes during September. October, November and December, in 1920 and 1921, respectively, is quoted:---

1920		42,016	cars.	
1921	***************************************	65,238	carś.	, ·.

One of the greatest handicaps is the necessity of maintaining duplicate main lines in certain provinces, involving great additional expense without proportionate increase in revenue. Another is the extremely low traffic density of a considerable proportion of the system mileage, which must be operated throughout the year in the interest of people who have settled in adjacent lands and have developed business interests. Generally speaking, the lines in question have low grades, and an increase in population would make them profitable. Another handicap is the considerable number of older branch lines principally in Eastern Canada which must be operated, but on which the volume of traffic is so small as to involve very serious loss in operation.

It is a pleasure to pay tribute to the splendid loyalty, energy, and enthusiasm displayed by the official and working staffs as a whole. It can be said, without reserve, that the officers and employees of the National are as enthusiastic and zealous in their work as those on any privately-owned railway. No tendency to relax has been observed since certain lines were acquired by the Government. This enthusiasm is one of the most valuable assets of a large organization. If encouraged it will be a most powerful factor in placing the National Railways upon a basis entirely satisfactory to the owners, the people of Canada.

APPENDIX B

EXTRACTS FROM REPORT OF THE CANADIAN NATIONAL RAILWAYS' TRAFFIC DEPARTMENT, FOR THE PERIOD SEPT., 1918—DEC., 1921, AS SUBMITTED TO THE MINISTER OF RAILWAYS.

To indicate what has been accomplished by the Traffic Department during the past three years, it is desirable to define the functions of that Department in the Railway Organization. It may be described as the sales department of the railway—selling transportation—under a Freight Traffic Manager, and Passenger Traffic Manager, each supervising his sphere of the work over the entire Canadian National Railways.

These heads are provided with assistants with prescribed territories—each of these assistants being supported in turn, by district men in immediate charge of assigned territories and staff.

The duties of the departmental heads are:-

- 1.—To establish the basis for the publications containing the prices at which the transportation is to be sold.
- 2.—To confer with officers of the Operating Department especting services required to give patrons the maximum of satisfaction, consistent with cost.
- 3.—To advertise the prices and services, as by printed tariffs, time tables and other suitable advertising material and methods.

Advertising must then be delivered to the direct selling forces the district passenger and freight men, and ticket men behind the counters, stationed in Canada, United States and Overseas.

All these representatives are required to keep themselves informed upon the day-to-day requirements of their districts. They must observe, if traffic is offering freely, if the proper proportion of competitive traffic is secured, if efficient service is given, and they must render such assistance to our patrons as will facilitate their comfort as passengers, or their requirements as shippers.

The supervision of the departmental heads also includes negotiations for the interchange of traffic with steamship connections, with other railways in Canada and the United States, and for the consummation of arrangements for satisfactory service for our patrons, and the maximum haul for the railway.

An officer with the title of General Foreign Freight Agent is also provided, supported by a sufficient staff for soliciting the inland rail haul on traffic from or to Overseas; for assisting patrons in securing quotations and space from Ocean Steamship connections; and generally, for keeping informed upon the world's trade conditions.

The efforts of the Foreign Freight Department on this side are supplemented by the co-operation of the European Manager, in London, who, with a staff in Great Britain and agencies on the Continent, gathers up traffic that cannot be secured on this side. He also secures and forwards information as to prospective traffic, as to competition through Canadian and American ports. Through these representatives quantities of traffic are secured that might otherwise pass to competitors, American as well as Canadian.

The European Manager also co-operates with steamship connections Overseas and the railway representatives on this side indeveloping passenger traffic of the various classes, and in promoting immigration.

In Australia, New Zealand and the Orient, officers have also been appointed who perform similar functions with respect to the movement of freight and passenger traffic through Pacific Coast ports.

These Overseas representatives in Great Britain, on the Continent, in the Orient and Australasia are expected to gather traffic for the Canadian Government Merchant Marine, as well as to work closely with all other possible steamship connections.

Periodical reports—weekly, monthly, or daily when necessary—are submitted by all the district men to their immediate superiors, and are passed on through the passenger or freight traffic managers to the vice-president in charge of traffic. From these reports is gleaned the information necessary to a proper supervision of the work, and to be passed on to the President, to assist in keeping him informed upon the movement and conditions of business throughout the entire system.

In the development of our traffic organization, but three years have passed, since the combination of the former Canadian Government Railways with those of the Canadian Northern, and little more than a year since the absorption of the Grand Trunk Pacific.

Co-ordination with the traffic organization of the Grand Trunk has proceeded as far as possible under the existing conditions, the district and soliciting forces having been consolidated.

It may be said that with the consolidation of a number of Canadian National and Grand Trunk offices, the absorption of the Grand Trunk Pacific staff, and the resumption of work by our men returned from overseas, that we have greatly strengthened the personnel of our official and soliciting forces. We now have a

most efficient staff in Canada and in the United States whose loyalty and devotion to duty is specially worthy of mention, as it is sometimes assumed that only those employed in privately-owned corporations can be credited with these attributes.

Success is only attained by the sales department of any large enterprise, through an efficient organization composed of experienced men with initiative, who are capable of responding promptly to every reasonable demand upon their services, in the interest of the enterprise they represent. Nothing produces efficiency in all lines of activity more than rivalry. With a large competitive system, privately owned, and operated in the same territory by which to measure our results, the rivalry that necessarily follows should ensure against inefficiency and stagnation, in so far as our organization may be permitted to function under the same business principles as those governing its competitors.

It is felt that this spirit of rivalry has dominated every officer and representative of the traffic department since its organization, not as an incentive to pursue unfair methods, but rather as a stimulant to their determination that results must be accomplished by close attention to the wants of patrons, and to the service rendered by all departments of the railway.

Perhaps it is too much to expect, with operating forces extending from the Atlantic to the Pacific, that complete satisfaction will be given by the staff at all times; but it should be realized that an organization in existence only three years, and engaged to a large extent in co-ordinating the services of a number of lines, previously operated independently, and in some cases in competition, has much yet to accomplish to gain the strength, and the same traffic-getting power as its chief competitor. This rival organization has gradually strengthened, as its mileage and territory grew, and as its facilities, both railway and steamship, for securing traffic, were increased.

Due economy, consistent with efficiency, has been observed in the organization of the Canadian National traffic force. The ratio of the cost to the gross revenue for last year, 1920, was 1.94 per cent., against 2.31 per cent. on the C.P.R. In this connection it should be borne in mind that we are meeting the competition of a strongly entrenched rival, and the results indicate a substantial measure of success.

GRAIN:—The following table of grain movements will give some indication of the productive value of the territory served by the lines of the former Canadian Northern and Grand Trunk Pacific, and it may not be out of place to point out that the portions of the three prairie provinces, served by the trunk lines of

these companies, have been the steady producing areas of the West, where crop failure has been less frequent or entirely absent.

Number of cars of grain inspected and handled each crop year from the First of September to December 31st.

	<i>a</i> 19	18 .	1919		. 1920		1921	
,	Cars						Cars	
C. N. R	27,334	31.3	26,771	31.7	33,101	27.4	52,924	36.2
G. T. R	11,044	12.6	12,511	14.8	12,238	10.1	19,226	13.2
Total	38,378	43.9	39,282	46.5	45,339	37.5	72,150	49.4
C. P	4 8,491	55.4	44.799	53.0	75,375	62 4	73,219	50.1
G. N	677	.7	455	.5	146	.1	690	.5
Total	87,546	100	84,536		120,860	100	146,059	100

From the foregoing it will be noted that a total of 72,150 cars have been handled by the National Railways—September 1st, to December 31st, of this last season's crop—in contrast with:—

1920	45,339	cars	equal	to	59.1%	increase
1919	39,282	**	"	66	83.7%	"
1918	38,378	44	"	66	88%	"

A new movement of grain took place in 1920, of some 600,000 bushels of wheat from Alberta points to Vancouver, for export via steamships using the Panama Canal route to Great Britain. A substantial increase is shown this present season, and will possibly total close to three million bushels by both railways; the National Railways are handling considerably more than 50 per cent. of this quantity. To December 29th we had delivered at Vancouver 754 cars and on the same date had 1,114 cars in transit and were making deliveries in Vancouver as rapidly as the grain could be handled by the Government elevator at that port.*

The easy grades of the National lines through the mountains are favorable to such a movement. The grain this season is going forward to Japan as well as to U. K. ports.

In the last crop year the Canadian National Railways also handled approximately 50 per cent. of the grain moved East, all rail, from the head of the lakes to Eastern Canada and the eastern seaboard—thus indicating the ability of the railway to participate fully in this competitive movement.

^{*}At the time this book was in the press it was estimated that 50,000,000 bushels of the 1923 crop would be exported to Vancouver.

LIVE STOCK:—The Canadian National Railways are also actively participating in the competitive movement of live stock traffic from Winnipeg and West as illustrated by the following:—

	To				To	145	
	Eastern Canada			Un	ited State	:s	
	and			via `			
•	United States			Emerson			
	Number of Cars			Nu	mber of (Cars	
	Total	Via	Via	Total	Via	Via	
Years	All Lines	C.N.R.	C.N.R.	All Lines	C.N.R.	C.N.R.	
1919	3,274	974	30%	5,476	739	13.5%	
1920 🥎	5,235	2,404	46%	3,182	1,496	47.0%	
1921 🦸	2,983	2,027	68%	1,559	758	48.6%	
This	is very favorable showing is la			argely due	to ranid	transit	

This very favorable showing is largely due to rapid transit, excellent transportation arrangements and recognition by the shipper of the efficiency and quality of our service.

COAL:—Commercial coal produced at mines served by the former Canadian Northern lines for each coal year ending with April 30th, in tons:—

1914-15		•	393,421
1915-16	,		513,722
1916-17			758,878
1917-18	_		1,018,250
1918-19			1,140,879
1919-20			1,198,864
1920-21			1,328,429

Adding to the foregoing the production at mines on the Grand Trunk Pacific from May 1st, 1920, to April 30th, 1921, of 553,114 tons, we have a total tonnage for the year of 1,881,543 net tons.

The Drumheller district in Alberta on the Saskatoon-Calgary, branch of the Canadian Northern, produced 54 per cent. of the total tonnage. The following figures are of interest indicating the growth of the tonnage in that district.

Output Coal Year	*
ending April 30th	Net Tons
1912	. 1,183
1912-13	15,564
1913-14	/ 52,321
1914-15	149,837
1915-16	/ 222,729
1916-17	, 377,626
1917-18	607 702
1918-19	796,070
1919-20	· 886,407
1920-21	1,007:154

TRAFFIC BY LAKE AND BY RAIL:—In another line of competitive traffic the Canadian National has shown its ability to participate fully, illustrated by the increase in the year 1920 of some 79,600 tons by rail and by lake from Eastern to Western Canada, over the corresponding movement of the previous year, this increase being equal to 31½ per cent. The all-rail westbound traffic for 1921 shows a heavy decrease, due to the general depression in business. We are confident, however, that we have secured a greater proportion of the total tonnage that has moved by all-rail or by lake-and-rail both westbound and eastbound.

PASSENGER SERVICE:—The consolidation of the Canadian National-Grand Trunk Pacific lines has not only had the effect of removing an important competitive element but has enabled us to effect important economies and improvements in train services. Between Winnipeg and Vancouver we have been able to shorten our schedule by ten hours, thus meeting the running time of our competitor between these points. We have also been enabled to make substantial savings in train mileage.

In the past we have been seriously handicapped in securing the rail haul in connection with ocean steamship passenger business, by reason of our competitors having a more frequent service from Atlantic ports, than the steamship lines with which we co-operate.

The White Star and Cunard Lines recently announced that they were instituting an improved service by the St. Lawrence route. Under this arrangement there will be almost an equal number of sailings by these lines as by those of our competitor. This will enable us to secure a larger proportion of rail business, not only of passengers going overseas, but of passengers arriving by the steamship lines, destined to points in Canada—Trans-Canada or the United States.

We might also refer to the difficulty thus far experienced in getting support from the Canadian Australasian Line operating on the Pacific between Vancouver and Australia and New Zealand. This line has been receiving from the Dominion Government a yearly subsidy of \$180,000.00, nearly \$500.00 per day—in return for this expenditure by the Government its Railway should receive consideration in its passenger interchange, Canadian and Trans-Canada, but to expect such we must give a supporting rail service.

The inauguration of the daily transcontinental service following tri-weekly trains, the co-ordination of the Canadian National-Grand Trunk service between Toronto and Ottawa, and numerous other changes, have effected a much improved all-round service on Canadian National lines, which has met with many evidences of public approval. There is little doubt that the splendid service

provided by these trains, with unexcelled equipment, has had a farreaching effect in influencing the public mind in favor of the railway.

Business depression has seriously affected passenger travel all over Canada during the past year, and the volume of business shows a consequent falling off. We continue, however, to carry an increasing proportion of the competitive travel, so that the prospects for the future are distinctly encouraging.

Lack of hotel accommodation in the mountains has seriously handicapped us in increasing the long haul, incident to transcontinental travel, but as there is a prospect of this being remedied during the coming year, it will not only assist us directly in securing this class of travel in Canada, but will be a valuable medium to enable us to bring to the attention of the whole of the selling forces of the United States railways this feature of accommodation and the great attractions offered by our scenic route through the Northern Rocky Mountains, and will result in attracting additional tourist and transcontinental business.

The necessity of making known, what the Canadian National lines are and the territory they serve, also the numerous additions and changes in train service has involved a large amount of advertising during the past two years. This was necessary, not only to inform the public at large but also the transportation selling forces of other lines—particularly in the United States, in a position to direct business to us. The accumulating effect of this advertising is now beginning to be felt and is undoubtedly reflected in the proportion of competitive travel that we are securing. Steps are being taken to complete a wall map of the system which will fill a great want and when it is distributed, will have more effect in informing the Canadian public as to what constitutes the Canadian National Railways than any other medium.

DEVELOPMENT AND COLONIZATION:—It would appear necessary to emphasize the fact, that we fully realize the vital importance to Canada in general, and the Canadian National Railways in particular, of increased population. Immigration of the right kind should be fostered from Overseas, as well as from the United States, and settlement encouraged on our lines, not only in Western Canada, but in the Maritime Provinces, Quebec and Ontario.

To increase population, particularly in the agricultural districts is a necessity, and to that end, we have been working in the United States with a specialized staff at Chicago, Boston and Seattle, cooperating with our Canadian staff, and in close co-operation with the representatives in the United States, and in Canada, of the

Immigration and Colonization Department of the Dominion Government.

Through the work of our Industrial and Resources Department, colonization is stimulated, and suitable people induced to settle in Canada, and acquire lands along the lines of the Canadian National Railways; adding directly to the country's wealth, in capital, and in the plant and effects they bring with them, and as producers of increased traffic for the railway.

In order to give some idea of the activities of the Department in the United States during the period under review, it is worthy of mention that information is being sent out periodically to some forty thousand enquirers. The Chicago office alone is in correspondence with between five and six thousand prospective settlers, and has distributed some 374,000 pamphlets giving information about Canada and the Canadian National Railways.

It is estimated that over one million acres have been taken up so far in the West along the National lines, under the auspices of the Soldiers Settlement Board, and that 67 per cent. of the homesteading in 1920 and upwards of 80 per cent. in 1921, applied for in the prairie provinces were contiguous to the National lines.

Government figures show that during the past two years, 86,000 settlers came from the United States to Canada. Analysis indicates that two-thirds of such migrants from the United States are farm settlers. As most of the more recently developed mixed-farming areas are tributary to the Canadian National lines, it is fair to assume that at least fifty per cent. of these farm settlers settled along our railways, or allowing 2 to each family, 14,250 families, during that period.

Records show that on an average each American family takes up a half section, and is ultimately worth at least \$750 a year revenue to the railway. Therefore, the settlements of the past two years may be computed to have a potential value in annual revenue to our line of from ten to twelve million dollars.

With references to colonization in Eastern Canada it may be said that progress is being made along the former National Transcontinental lines. In the Abitibi District, that portion thrown open to colonization by the Quebec authorities, stretching from the Megiscan River 125 miles to the Ontario boundary, Government Agents now report a population of some 15,000 souls. Over three thousand families settled in the district last year, which is a satisfactory indication that a farming community is being built up along this line.

Agricultural exhibitions have been held at Amos and Makamik, giving evidence of the interest that is being taken in the raising of live-stock and agriculture generally. In this connection it is

of interest to note that a representative of the Quebec Agricultural Department estimated the value of the crops produced in the Abitibi District in 1921 at \$1,100,000, consisting in the main of oats, potatoes and garden vegetables.

As the Industrial and Resources Department of the railway becomes better known it is being called upon to give information on the whole field of Canadian National resources and the activities and conditions of the country generally, and in this respect it is well equipped to meet the situation, having men of experience with technical training and wide knowledge of the country. It is also provided with perhaps the best working library of its kind in the country, dealing with the mineral and forest resources, agriculture, water powers, trade and commerce, fisheries, general statistics and other information on Canada.

